



Information Memorandum on 3.5 GHz Spectrum Auction

Issued by the Nigerian Communications Commission

18 November 2022

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1: INFORMATION ON PUBLIC CONSULTATION

The Nigerian Communications Commission (the Commission), pursuant to its powers under section 121 of the Nigerian Communications Act 2003 (the Act), is offering the remaining Lots of 2 x 100MHz TDD in the 3.5GHz Spectrum band to support the roll-out of 5G services in Nigeria. This is to ensure reliable communications services and innovative digital technologies. The proposed deployment is in line with the National Digital Economy Policy and Strategy (NDEPS) 2020 – 2030, National Policy on Fifth Generation (5G) Networks for Nigeria’s Digital Economy and in fulfilment of one of the key initiatives of the Nigerian National Broadband Plan 2020 – 2025 (NNBP). In furtherance of this, the Commission has developed an Information Memorandum (IM) to support the attainment of this objective through an Auction Process.

The Commission held a Public Consultation in respect of the draft IM on 15 November 2022. This is in line with the Commission’s participatory rule-making process for the communications sector, to give stakeholders and interested parties an opportunity to review and comment on the draft IM before the final document is published.

In light of the above, the Commission invited comments on the draft IM from the public and interested stakeholders. Comments were to be supported with relevant data, analysis, benchmarking studies or other relevant information. The Commission took all comments into consideration but is under no obligation to accept or adopt the comments or views expressed.

2: IMPORTANT NOTICE

The Information Memorandum is for information purposes and meant to provide guidance on the auction process. It is not intended to form the sole basis of an investment decision and should not be considered as a recommendation by the Commission to any stakeholder to participate in the Auction. Independent assessment of the potential value of the assignment of the 3.5 GHz Spectrum should be made as deemed necessary. This IM may be subject to update, modification, and amendment.

The Commission, its commissioners, directors, officers, employees and partners do not make any representation or warranty (express or implied) as to the accuracy or completeness of the contents of this IM. Furthermore, they do not take any responsibility or accept liability as to the IM or any other written or oral information made available to any interested party or its advisers. Interested parties should note that information in this IM does not purport to be complete or totally accurate. The IM is provided to shed more light on the licensing process. Applicants are advised to undertake their own due diligence. Any liability in respect of such information, inaccuracy, or omission in the IM, is expressly disclaimed.

The IM does not constitute an offer or invitation to participate in the Auction, nor does it constitute the basis of any contract that may be concluded in relation to the Auction or in respect of any assignment of the 3.5 GHz Spectrum. Recipients are not to construe the content of this IM or any other communication by or on behalf of the Commission, as financial, legal, technical, or other advice. Accordingly, each prospective bidder should consult its own professional advisers on any financial, legal, technical, and other matters concerning any potential participation in the Auction or any assignment of the 3.5 GHz Spectrum. The Commission does not accept any liability whatsoever based on the issuance of this IM and shall not be liable to any Bidder, Applicant, or any person whomsoever for any pecuniary loss, consequential or contingent damages; including but not limited to loss of goodwill, downtime and revenue, consequent upon the publication of and/or reliance of such person on this IM or participation in the Auction.

This IM is available at the Commission's Head Office at Plot 423, Aguiyi Ironsi Street, Maitama, Abuja, and on its website (www.ncc.gov.ng). In the event of any discrepancy between the electronic and printed versions, the electronic version is definitive. Other documents relevant to this licensing process are available and can also be downloaded from the Commission's website.

Pursuant to the issuance of this IM, the Commission reserves the right to make available additional information through the publication of further documentation. Interested parties are advised to stay abreast of developments in this licensing process by referring to the Commission's website regularly.

3: EXECUTIVE SUMMARY

Preamble

Through the years, the Commission has implemented initiatives and policies that have stimulated the growth and development of the communications sector. As a result, significant progress have been made leading to large increases in mobile subscriptions, internet and broadband penetration engendered by the competitive environment in the sector.

In its drive to deepen broadband penetration in the country, the Commission in December 2021, conducted an auction for two (2) Lots of 100 MHz TDD (3500 – 3600 MHz and 3700- 3800 MHz) in the 3.5 GHz band to support the delivery of ubiquitous broadband services. The Commission is now desirous of auctioning the remaining two (2) Lots of 100 MHz TDD (3400 – 3500 MHz and 3600 - 3700 MHz) in the 3.5 GHz band to further support the delivery of ubiquitous broadband services in line with the NNBP 2020-2025.

This IM defines the process that the Commission will adopt for the licensing of the remaining two (2) Lots of 100 MHz TDD each in the 3.5 GHz band. It provides information on the Nigerian communications market, details of the Spectrum on offer, the prequalification process, the Auction process, and indicative timetable.

Next Steps

The next step for Applicants, in accordance with the full instructions laid out within this IM, is to submit a completed application, including appropriate template documentation and confirmation of transfer of the Intention-to-Bid Deposit (IBD), by 17.00 hours West African Time (WAT) on 05 December 2022. The Indicative Timetable for this Auction may be subject to change.

All documentation relating to the process, including the Public Notice already published concerning the process will be made available on the Commission’s website (www.ncc.gov.ng).

Interested parties are therefore advised to visit the Commission’s website regularly to ensure they have the latest information on the upcoming Auction.

The attention of all applicants taking part in all, or part of this process is drawn to the “Important Notice” preceding this Executive Summary.

PART A:

INTRODUCTION TO THE INFORMATION MEMORANDUM, REGULATORY ENVIRONMENT AND THE NIGERIAN COMMUNICATIONS MARKET

4: PART A:

4.1 Introduction to the Information Memorandum

This IM defines the process for the licensing of the remaining Lots in the 3.5 GHz Spectrum band by the Nigerian Communications Commission (the Commission).

The process for the licensing of the 3.5 GHz Spectrum band is predicated on technological advancements, demand for broadband services and applications in line with international trends. This is also in furtherance of the objectives of the Federal Government of Nigeria as set out in the National Digital Economy Policy and Strategy (NDEPS), 2020 – 2030 and the Nigerian National Broadband Plan (NNBP), 2020 – 2025.

As a prelude to the licensing process, the Federal Government of Nigeria, in consultation with the Commission issued the National Policy for Fifth Generation (5G) Networks for Nigeria’s Digital Economy. Consideration has also been given to the demand level for the Spectrum as well as the approach to licensing and the potential interest of the consumers, amongst other objectives. Accordingly, the Commission auctioned the initial 2 Lots of 100MHz Spectrum licences to build and operate networks in the 3.5GHz band for the enhancement of communication services in Nigeria.

To qualify to bid in the Auction, an Applicant does not have to be a Licensed Network Operator in Nigeria. However, any successful Bidder without a Unified Access Service Licence (UASL) will be issued one and is expected to pay the specified Licence fee in addition to the Auction winning bid price. The tenure for the UASL will be Ten (10) years, subject to renewal.

4.2 3.5 GHz Spectrum Availability

The Commission is offering the remaining 2 Lots of 100 MHz TDD Spectrum in the 3.5 GHz band ranging from 3400 - 3500 MHz (Lot A) and 3600 – 3700 MHz (Lot C), totalling 200 MHz for auction. This will be awarded to winning Bidders in 100 MHz Lot. The Lots of frequency are shown in Table 1.

Table 1: Available 3.5GHz Lots

Lot	Frequency (MHz)
A	3400 – 3500
C	3600 – 3700

4.3 Reserve Price

The Reserve Price (RP) is the minimum price for one Lot of 100MHz TDD for a ten (10) year licence tenure fixed at Two Hundred and Seventy-Three Million and Six Hundred Thousand United States Dollars only (US\$273,600,000.00) or its equivalent in Naira at the prevailing Central Bank of Nigeria (CBN) rates at the time of the auction.

4.4 The Auction Process

The Commission has determined that licensing through Auction is a fair, transparent and efficient means of assigning the Spectrum. The Auction will take place in the city of Abuja in the Federal Republic of Nigeria at a location to be specified by the Commission. The Auction will be an Ascending Clock Auction with Exit Bids as described in [Section 5.11](#).

On completion of the Auction, Successful Bidder(s) will be deemed to have been awarded a provisional licence and will be required to pay the balance (Winning Bid Amount Less the IBD) of the Spectrum licence fees due to the Commission on or before 20 January 2023.

4.5 Pre-Qualification Process

The Commission will not reserve Spectrum for any group/entity. Reservation is considered as discriminatory and capable of creating an uneven playing field. Any Licensee of the Commission or any entity that has up to 200MHz in the 3.5GHz band in Nigeria will not be eligible to participate in this Auction.

Applicants (Domestic and Foreign) are not required to be Licensed Network Operators but must be incorporated in Nigeria before the Licence is issued. Applicants will be subject to a set of pre-qualification criteria and only those that meet these criteria will be allowed to take part in the Auction. The criteria are:

- a) Applicants will be required to conform to the compliance requirements laid out in [Appendix D](#). However, Applicants are not required to submit financial and/or technical plans in the pre-qualification process.
- b) Applicants will be required to submit information using the templates provided in this IM.
- c) Applicants must transfer an IBD corresponding to the number of Lots (Please refer to [Table 3](#)) into the designated account in cleared funds not later than 17.00 hours West African Time on 05 December 2022. A Bank Guarantee, or similar instruments, will not be acceptable. This deposit will bind the Applicant to take up a licence, should it be a Successful Bidder, at the Reserve Price or any higher bid value submitted during the process.
- d) An Applicant must not have a relationship with another Applicant. A relationship is defined as a situation where an Applicant has a direct or indirect ownership stake of 10% or more in another Applicant.
- e) Licensed operators participating in the process must be in Good Regulatory Standing with the Commission.

4.6 Broadband Access Market gap

There are operators providing access to the Internet in one form or the other in Nigeria. Broadband delivery is largely via mobile connections. There is a need for higher speed connections for data-intensive services required by modern communications devices to serve Nigerian population (of more than 70% below the age of 35).

Some Licensees providing broadband access include:

- a. Mobile Network Operators (MNOs)
- b. Fibre to the Home Operators
- c. Others including but not limited to, Fixed Wireless Access Operators and Satellite providers.

The availability of broadband access has the potential to contribute positively to the growth of the economy and enable investors take advantage of the inherent growth in broadband usage in the country.

4.7 Development in the Nigerian Communications Market

This section summarises selected demographic data for the Nigerian market, historical developments and overview of the performance of Nigerian communications sector.

4.7.1 Nigeria's Population Demographics

Nigeria is the most populous nation in Africa with a population of over 200 million people which grew at an average rate of approximately 2.5% annually from 2000¹ as shown in [Figure 1](#). The country has a young

¹ Data accessed from United Nations Population Fund via <https://www.unfpa.org/data/world-population/NG> on Wednesday June 23, 2021

demographic index of 76.46% of the population under the age of 35 (Source of information² with urban rural population distribution of 51.2% and 48.8% respectively³).

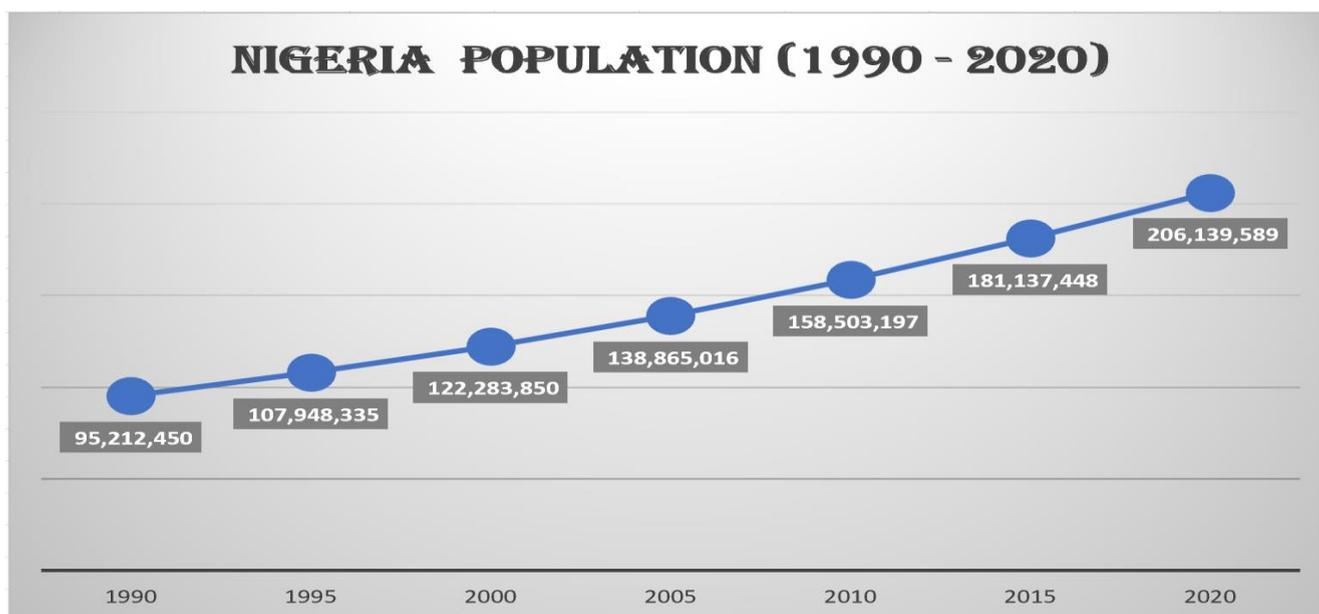


Figure 1: Nigeria's Population Evolution (1990-2020)

4.7.2 Market Growth

The Nigerian Telecommunications market has experienced significant growth in recent years. As at July 2022, the market had increased from about 400,000 connected phone lines in 2001 when the market was deregulated to 206.4 million active subscribers¹ as shown in Figures 9 and 10. Key features of this growth include⁴:

- The Broadband penetration increased from less than 10% as at 2015 to 44.49% in July, 2022⁵
- Nigeria has high potential in terms of its population size and annual population growth rate of 2.5% per annum.
- Nigeria has surging levels of ICT adoption, Internet take-up and broadband services occasioned by its vibrant and virile youth population.
- Nigeria has the largest economy in Africa.

The growth of the Nigerian communications sector since liberalization, makes this Auction a unique investment opportunity. Growth in the sector has been spectacular with mobile penetration increasing from less than 1% in 2001 to 108.15% as at June 2022⁶. In addition, Internet penetration grew from 3% in 2004 to 79.04% (151,021,062) as at June, 2022⁷.

4.7.3 Demand for High-Speed Internet

Fixed Internet access in Nigeria is limited while mobile internet services are more readily available. There are many sectors that require higher speed Internet access, some of these include the following:

² Ibid

³ <https://www.worldometers.info/demographics/nigeria-demographics/#population-pyramid>

⁴ All the data can be accessed on www.ncc.gov.ng

⁵ Data available on www.ncc.gov.ng

⁶ Data available on www.ncc.gov.ng

⁷ Data available on www.ncc.gov.ng

4.7.4 Public Sector Services

The NNBP and the Nigerian e-Government Masterplan lists wide range of e-government services which needs to be introduced to the economy. These are dependent on high-speed internet. These services include but not limited to financial inclusion, social services, access to security infrastructure and digital skills acquisition. It will also lead to optimisation of service delivery through the digitisation of government services, e-Health and e-learning in public schools.

4.7.5 Agriculture

Nigeria is a large country with an area of 923,768 Square Kilometres having a huge and diverse agricultural sector. According to the National Bureau of Statistics (NBS), 44.6%⁸ of the labour force is engaged in agriculture. Agricultural extension services, marketing of agricultural products and commodity exchanges can be enhanced through accessibility to high-speed digital connectivity.

4.7.6 Commerce

There is a considerable market gap for reliable and affordable high-speed internet access for Micro, Small and Medium Enterprises (MSMEs) in Nigeria. These Companies are very keen to make greater use of the internet because of the opportunities to improve efficiency and enable cost savings. The increased usage of Point of Sale (POS) Terminals, e-commerce and electronic payment systems has increased the Internet access market.

4.7.7 Education

Several educational institutions in Nigeria lack reliable and widespread broadband access, so there is a large demand for high-speed services and applications. These would be used for teaching, learning and research purposes as well as improving the efficiencies of the institutions.

4.7.8 Media and Entertainment

There are several industries in the media and entertainment sector that will develop their content and businesses where highspeed internet access is more widely available. Video streaming services are constrained in Nigeria because of a lack of widespread broadband services. Being able to expand this area would greatly benefit the entertainment industry.

4.7.9 Security and Public Safety

Closed Circuit Television (CCTV) services could expand greatly with access to broadband services, as these make the remote monitoring of video footages much easier among others. The potential expansion here would cover public services, commercial services, and individual users. In emergency situations coordination of rescue efforts becomes much easier with high-speed internet access.

4.7.10 Health Sector

Nigeria has a population of over two hundred million and currently the medical doctor to the population ratio is relatively low. Therefore, efficient and good broadband connectivity will support e-Health services, by providing alternative channels to support health care delivery.

⁸ <https://nigerianstat.gov.ng>

4.7.11 Manufacturing

This sector is growing in Nigeria and the availability of 5G services will enhance efficiency in the production processes and save manufacturers a significant amount in operational cost. Availability of fast connectivity through 5G services can facilitate digitalised production through robotics and smart machinery in the Nigerian manufacturing sector.

4.7.12 Transportation

There are untapped potentials in the Nigerian transportation system that will require fast paced connectivity to support integration of the public transport systems, facilitate traffic management processes and deployment of smart initiatives in urban areas. More so, 5G has potentials of supporting creation of smart cities that will digitalise and integrate transportation channels.

4.8 Competition Management in the Nigerian Communications Market

- a. The Commission is empowered under the Act and the [Competition Practices Regulations, 2007](#) to determine licensees that may be in a dominant position in any segment of the Nigeria communications market.
- b. An operator declared dominant in any segment of the market shall be required by the Commission to abide by certain obligations specified in the [Competition Practices Regulations, 2007](#).
- c. To fulfil its mandate to encourage competition under Sections 4 and 90 of the Act, as well as the [Competition Practices Regulations, 2007](#), the Commission has the power to impose sanctions on any Licensee deemed to be engaging in anti-competitive activities.
- d. Activities deemed to be anti-competitive can be found in the [Competition Practices Regulations, 2007](#)

4.9 Profile of Network Operators and Service Providers

Following the full liberalisation of the Nigerian communications market in 2000, there has been considerable growth in the number of active Network Operators and Service Providers. Some are shown in Table 2⁹:

Table 2: Active Network Operators

S/N	Company	Technology Deployed	Coverage Areas
1.	Airtel	GSM/WCDMA/UMTS/LTE (FDD)	Nationwide
2.	EMTS (trading as 9mobile)	GSM/ WCDMA/UMTS/LTE (FDD)	Nationwide
3.	Globacom	GSM/ WCDMA/UMTS/LTE(FDD)	Nationwide
4.	MTN	GSM/ WCDMA/UMTS/LTE (FDD)/IMT-2020	Nationwide
5.	NATCOM (trading as ntel)	LTE(FDD)	Nationwide
6.	Smile Communications	LTE (FDD)	Nationwide
7.	Spectranet	LTE (TDD)	Nationwide

⁹ Data available on www.ncc.gov.ng

4.10 Market Share by Operator

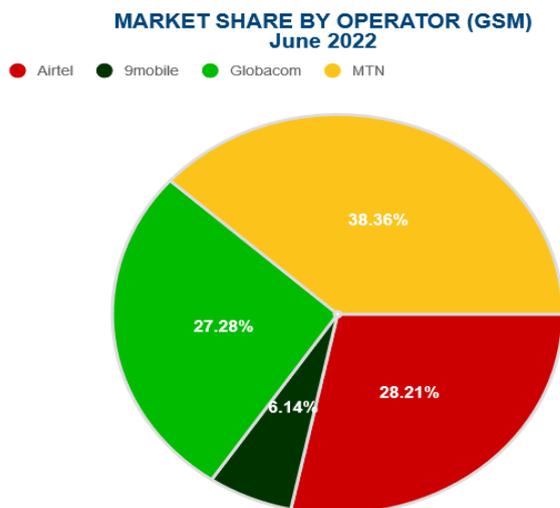


Figure 1- Market Share of Mobile GSM Operators as at June 2022

Source: NCC, 2022¹⁰

4.11 Active Internet Subscriptions in Nigeria from 2018 to 2022

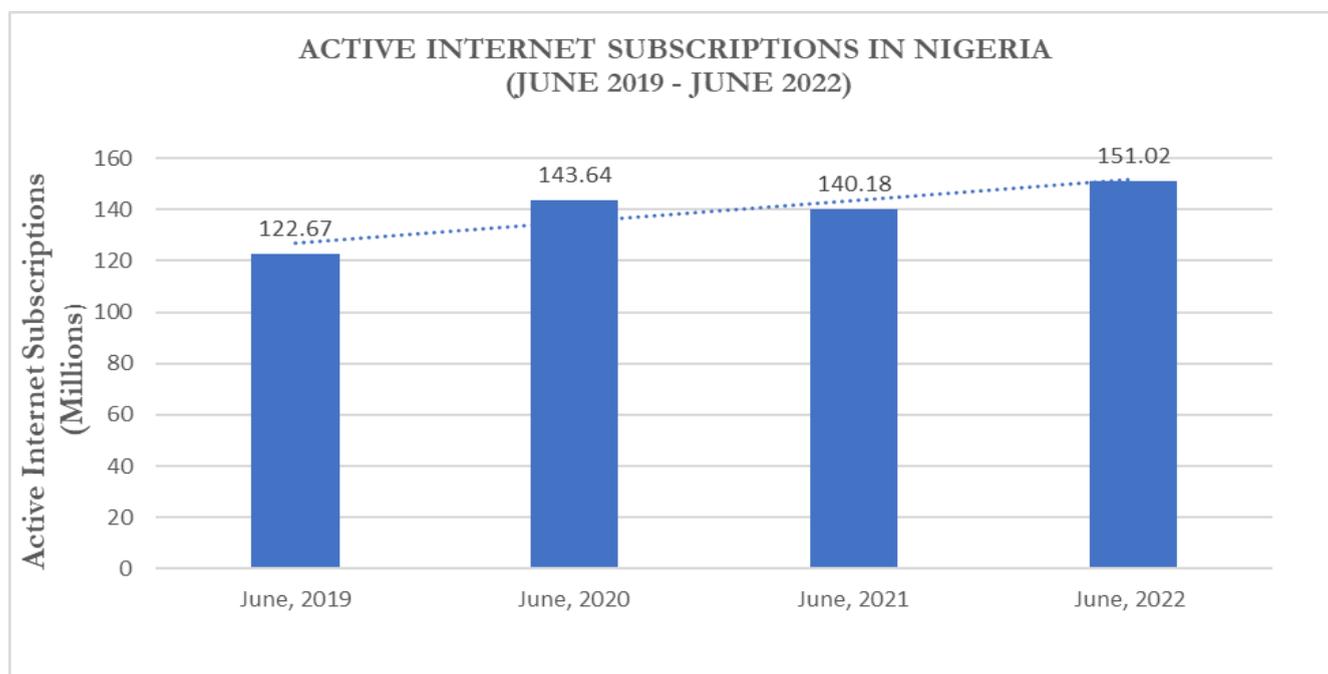


Figure 3: Active Internet Subscriptions in Nigeria (June 2019 – June 2022)¹¹

¹⁰ Source: Nigerian Communications Commission

¹¹ Source: Nigerian Communications Commission

4.12 Broadband Penetration/Subscription in Nigeria

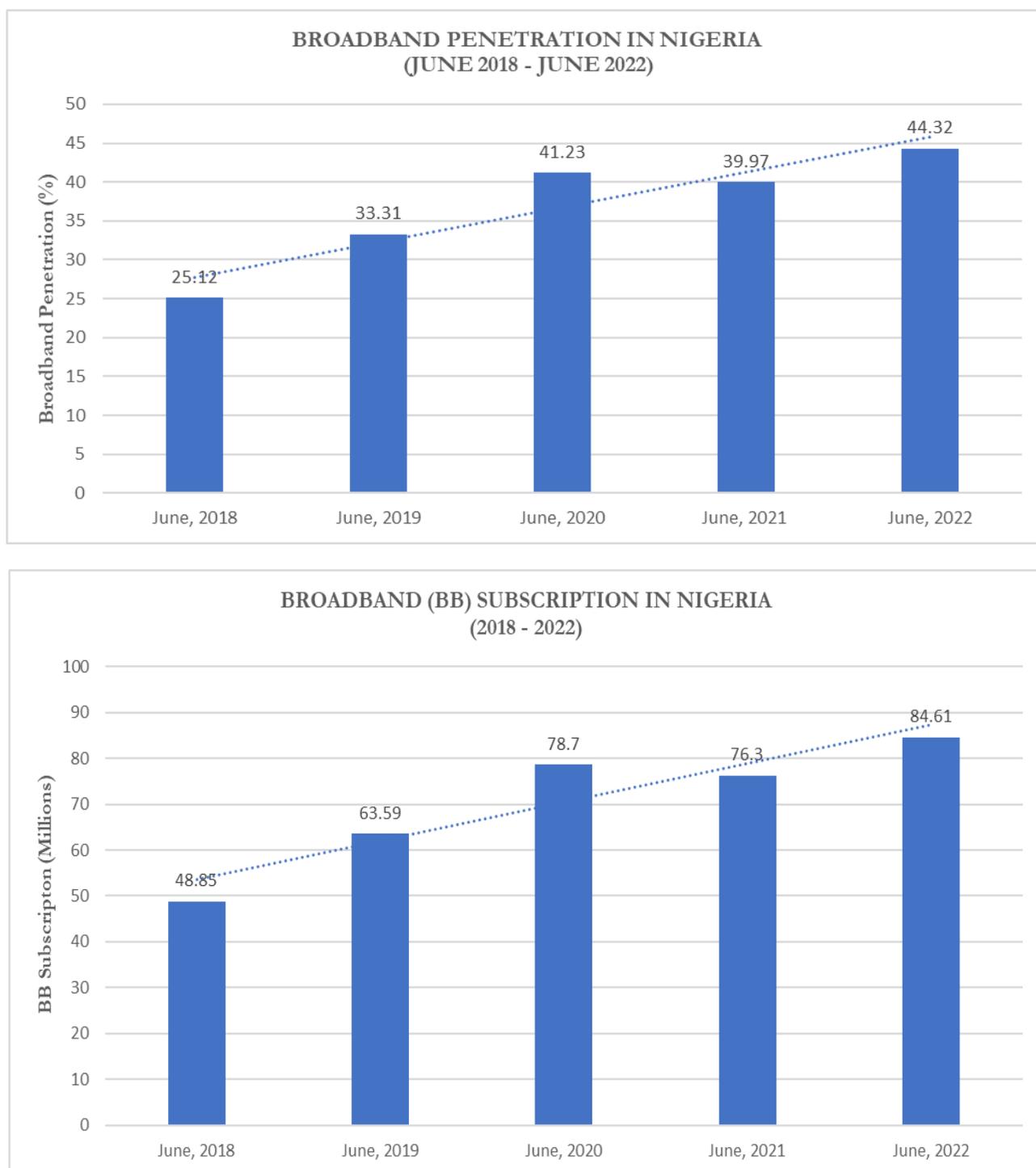


Figure 4: Broadband Penetration/Subscription June 2018 – June 2022¹²

¹² Source: Nigerian Communications Commission

4.13 Contribution to Gross Domestic Product

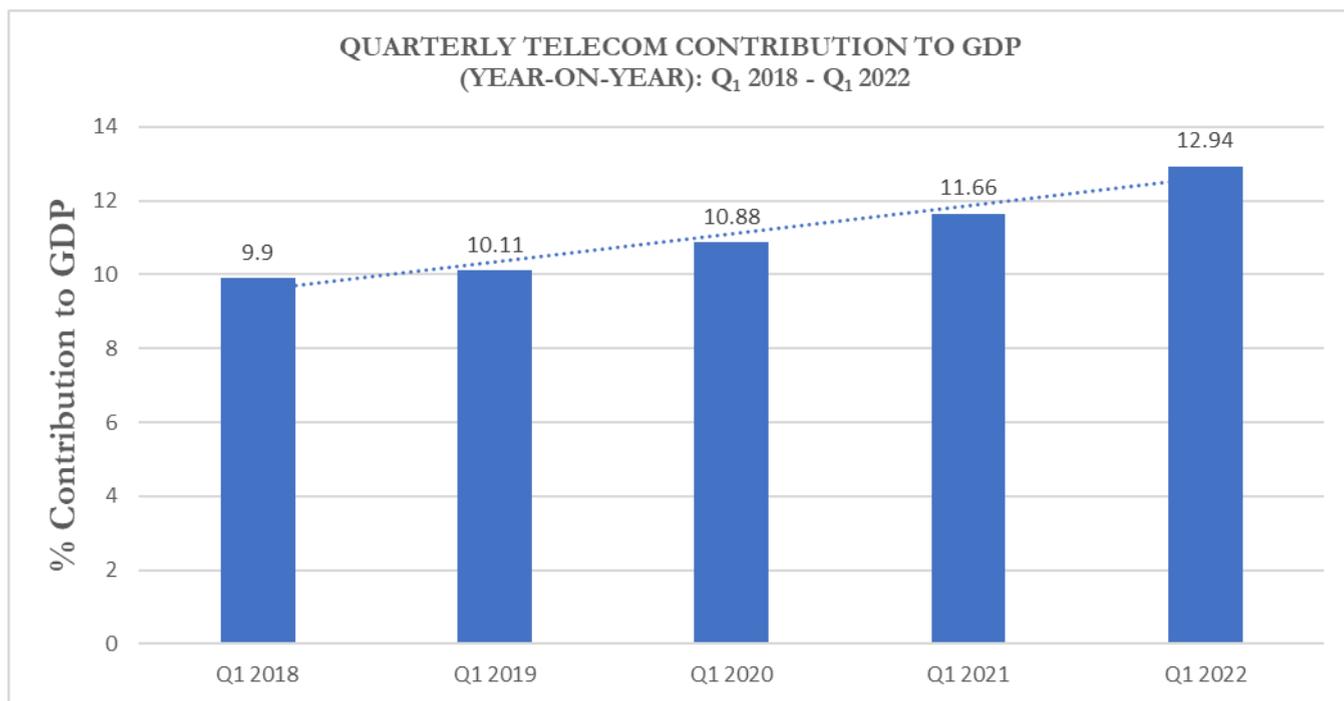
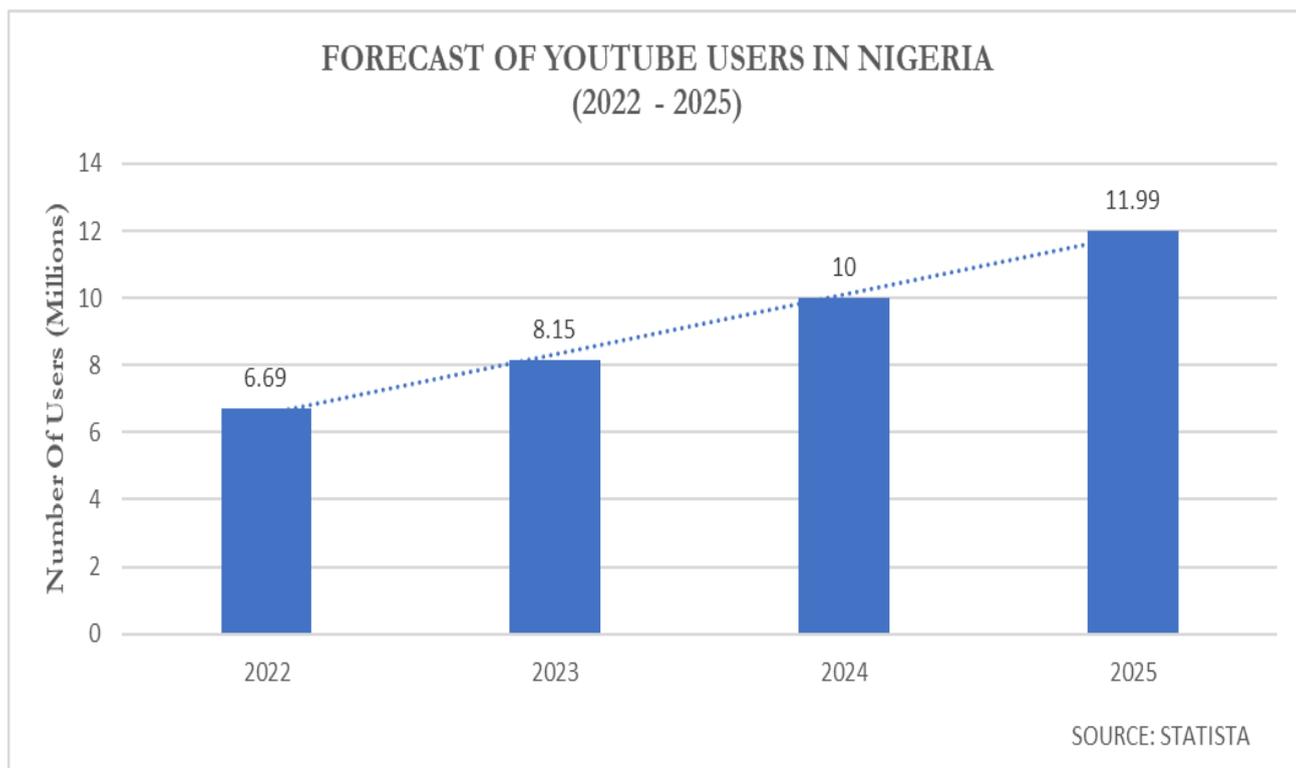


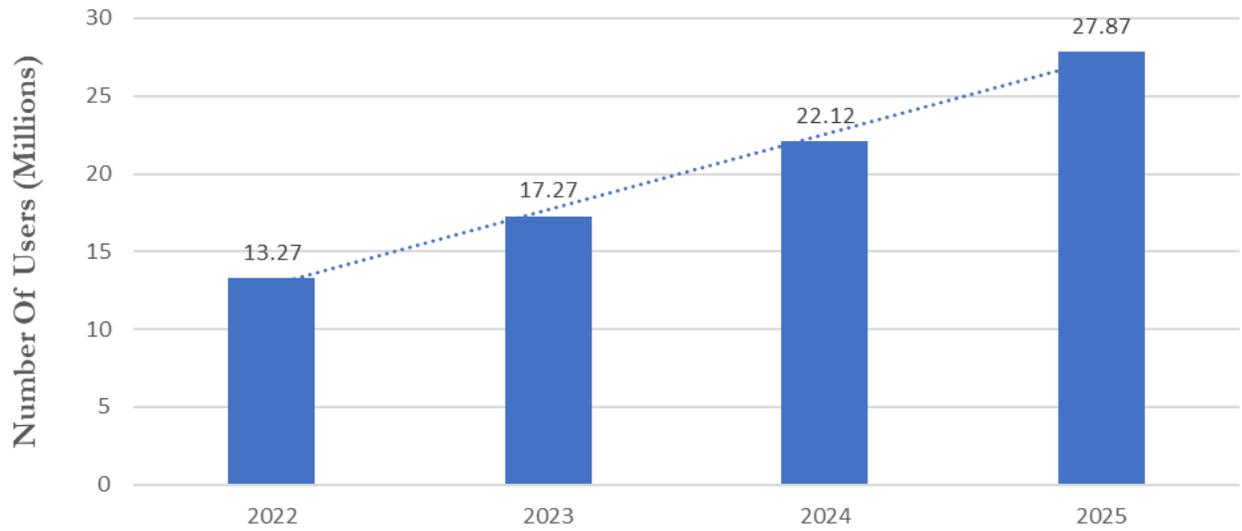
Figure 5: Telecom Contribution to GDP: Year-on-Year (Q₁ 2018 – Q₁ 2022)¹³

4.14 Projections of Social Media Users in Nigeria

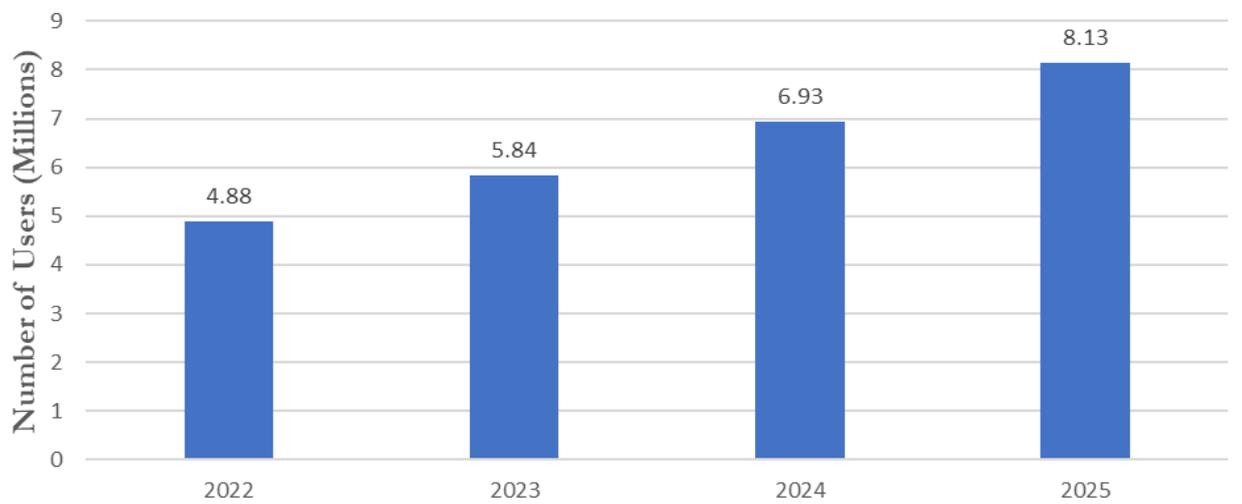


¹³ Source: National Bureau of Statistics

FORECAST OF INSTAGRAM USERS IN NIGERIA (2022 - 2025)



FORECAST OF WHATSAPP USERS IN NIGERIA (2022 - 2025)



SOURCE: STATISTA

Fig 6: Social Media usage growth in Nigeria

4.15 Social Media Statistics

According to a report by Statista on internet usage in Nigeria, the use of social media was projected to grow from 18 Million in 2017 to 32.9 Million in 2022.

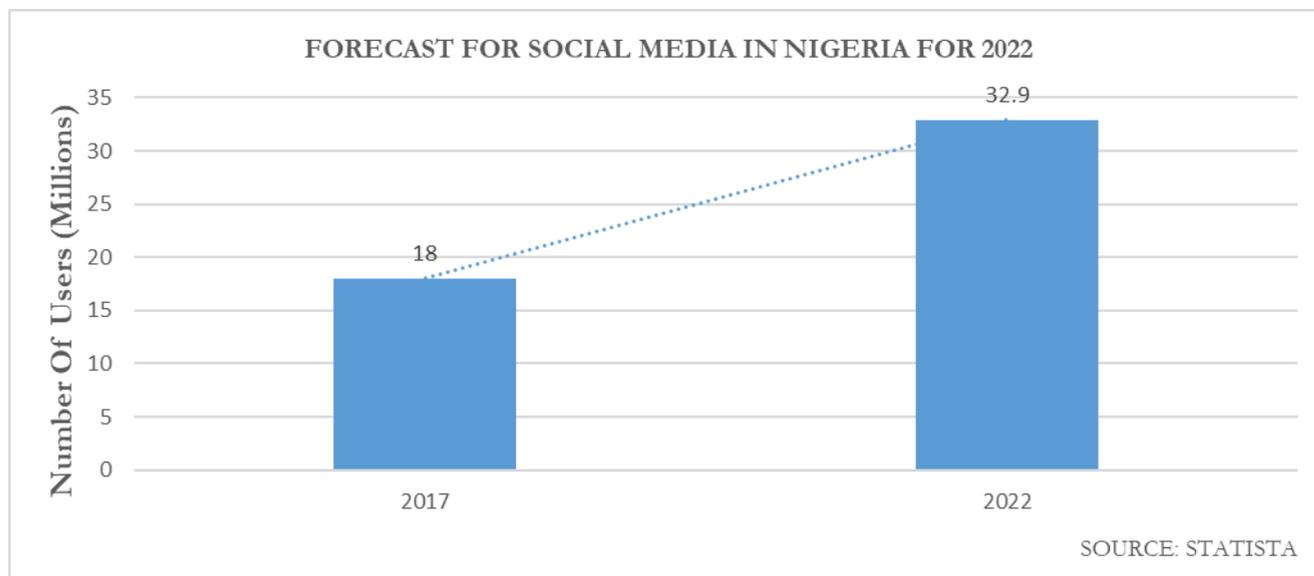


Fig 7: Forecast for social media in Nigeria for 2022

4.16 E – Commerce

According to a recent Statista’s report titled: “Internet Usage in Nigeria,” the number of online shoppers in the year 2020 was 37% of an estimated population of Two Hundred and Six Million (206,000,000). This implies that there were at least Seventy-six Million, Two Hundred and Twenty Thousand (76,220,000) online shoppers in Nigeria in the year 2020 and the figures have been growing annually.



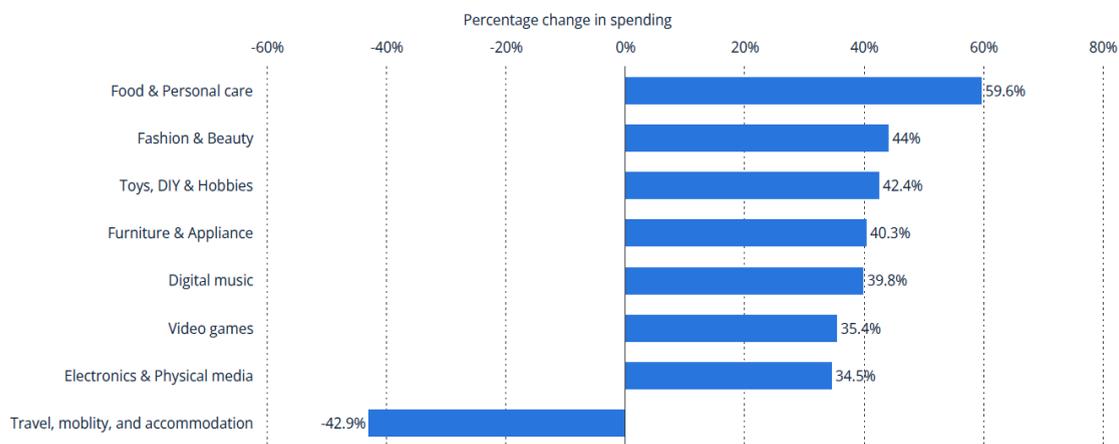
Fig 8: Online Shoppers VS Opportunity Gap

The pattern of annual growth in e-commerce consumer spending in Nigeria in the year 2020, by category, shows that despite the disruptions occasioned by the COVID -19 pandemic, only the travel, mobility, and accommodation categories recorded negative growth. All other categories including Food & Personal care, Fashion & Beauty, Toys,

Furniture & Appliances, Digital Music, Video games, Electronics & Physical media amongst others continued to witness significant positive growth.

Annual growth in e-commerce consumers' spending in Nigeria in 2020, by category

E-commerce spending growth in Nigeria 2020, by category



31 Description: In 2020, e-commerce of food and personal care in Nigeria experienced the largest growth among the different groupings. Compared to the previous year, online sales of food and personal increased by roughly 60 percent. The fashion and beauty sector grew by 44 percent, representing the second fastest growing online industry. The travel sector recorded the slimmest growth. The sector of fashion is also the most valuable e-commerce category in 2020, which accounted for over 1.8 billion €. [Source: Statista](#)
Notes: Nigeria, 2020; 15 years and older
Source: Statista Report

statista

Fig 9: Annual Growth in e-commerce consumers' spending in Nigeria in 2020 by category

4.17 The Nigerian Communications Regulatory Environment

This section summarises selected aspects of the regulatory environment governing the communications sector in Nigeria. It also highlights some regulatory policies relevant to interested parties who are nonetheless advised to conduct their own review of all relevant Nigerian legislation and regulations. Furthermore, it provides information on setting the opening bid for the Auction and enumerates several conditions of the applicable licence.

The Communications Sector in Nigeria is made up of the following key stakeholders: the Government, Regulator, Licensees and Consumers.

4.17.1 The Government

The Federal Government, through the Ministry of Communications and Digital Economy, sets the general policy direction for the sector.

4.17.2 The Regulator: The Nigerian Communications Commission

The Commission is the independent National Regulatory Authority established by the Nigerian Communications Act, 2003 (the Act) for the communications sector. It is responsible for developing the communications sector, encouraging competition, and ensuring that licensees provide high quality and efficient services throughout the country.

Over the years, the Commission has earned a reputation as one of the foremost communications regulatory agencies in Africa. It aims to exploit Information and Communications Technology to drive and assist different aspects of national development, assist in stimulating demand to accelerate the uptake of communications services and several other Universal Access and Service Projects necessary for the establishment of a knowledge-based society in Nigeria.

Presently, the Commission is executing strategies for deploying Fixed Broadband Infrastructure across the Country on an Open Access basis. The Open Access Model enables access to transport capacity on a fair and non-discriminatory basis.

4.17.3 The Licensees

There are currently four major mobile licensees in Nigeria; Airtel Networks Limited (Airtel), Emerging Markets Telecommunications Services Limited (EMTS) (Trading as 9Mobile), Globacom Limited (Glo) and MTN Nigeria Communications PLC. (MTN). This is in addition to several other service providers offering fixed and mobile broadband services. All major communications services providers in Nigeria are private sector owned.

4.17.4 Legal and Regulatory Framework

The Commission operates under the terms of the regulatory framework set out in the [Nigerian Communications Act 2003](#) (the Act) and its subsidiary legislations, as well as the [Wireless Telegraphy Act of 1990](#) (WTA). Pursuant to Section 121 of the Act, the Commission has the sole and exclusive power to administer, licence and manage the use of Frequency Spectrum for the Communications sector. Copies of the WTA and the Act are available on the Commission’s Website (www.ncc.gov.ng).

The Nigerian communications environment is governed by one of the best sets of regulatory instruments in Africa. The Commission relies on the Act and its subsidiary legislations to provide guidelines on the various aspects of the communications market in Nigeria. The instruments cover Spectrum Management, interconnection, competition, Quality of Service (QoS), approval of equipment, co-location and infrastructure sharing and other aspects of the market. These regulatory instruments are available on the Commission’s website.

Prospective Applicants are advised to conduct their own review of all Legislations and Regulations pertinent to the Nigerian market.

4.17.5 Spectrum Trading

The Commission has Guidelines on Spectrum Trading that permits Licensees to either Transfer, Share or Lease Spectrum with the approval of the Commission. The Guidelines were issued to drive the efficient utilization of Spectrum resources and to encourage new entrants into the Nigerian communications market.

4.17.6 Interconnection

Part II of the [Nigerian Communications Act 2003](#) deals with interconnection of licensees. The Act imposes an obligation on a licensee to interconnect its communication system with other licensee’s networks at technically feasible locations, in accordance with the principles specified in Section 97 of the Act and pursuant to terms and conditions negotiated between the parties in good faith. [The Interconnection Regulations 2007](#) issued by the Commission also guides interconnection between licensees. To boost seamless interconnection amongst networks, Section 100 of the Act prohibits arbitrary disconnection of any interconnecting party without the prior written approval of the Commission.

4.17.7 Number Allocation

The Licensee can apply for a numbering range as may be required. The Commission will assign such numbers as are available and required by the Licensee for the provision of services within the scope of its Operational Licence. Numbers are assigned by the Commission subject to the payment of prevailing fees. The Commission issued the [Numbering Regulations 2008](#) to provide a regulatory framework for the control, planning, administration, management and assignment of Numbers.

4.17.8 Annual Operating Levy

The conditions of the Operational Licence require an Annual Operating Levy (AOL) to be paid to the Commission. This Levy is set at 2.5% of the Licensee's audited net revenues. This Levy shall be paid within three months at the end of the first year of the licence. Thereafter, payments shall be made on quarterly basis on the Licensee's assessed net revenues and within thirty calendar days at the end of each quarter. The sum paid shall be adjusted immediately on receipt of the audited annual financial statements of the Licensee. This is in accordance with the [AOL Regulations 2014](#) or as may be stipulated by any succeeding Regulations.

PART B:

**APPLICABLE LICENCES; LICENSING PROCESS AND SCHEDULE; TECHNICAL
DETAILS OF THE SPECTRUM OFFERED; QUALITY OF SERVICE AND
NETWORK SECURITY**

5: PART B

5.1 Applicable Licences

5.1.1 Overview of the 3.5GHz Spectrum Licence

Highlights of the Spectrum Licence General Conditions are set out below. A copy of the Frequency Spectrum Licence General Conditions document detailing full terms is referenced in [Appendix M](#).

5.1.2 Reserve Price, Licence Fees, and Payment Arrangement

The Reserve Price (RP) is the minimum price for one Lot of 100MHz TDD for a ten (10) year licence tenure fixed at Two Hundred and Seventy-Three Million and Six Hundred Thousand United States Dollars only (US\$273,600,000.00) or its equivalent in Naira at the prevailing Central Bank of Nigeria (CBN) rate at the time of the auction.

Each Lot of 100 MHz TDD represents 1 eligibility point as shown in Table 3.

Table 3: Lots & Prices for 3.5GHz Band

S/N	NO OF LOTS APPLIED FOR	RESERVE PRICE (US\$)	INTENTION-TO-BID DEPOSIT (IBD) (US\$)	ELIGIBILITY POINTS
1.	1	273,600,000.00	27,360,000.00	1
2.	2	273,600,000.00 x 2	27,360,000.00 x 2	2

The fee for the ten (10) year Spectrum Licence will be determined at the Auction. The Opening Bid will be an increment higher than the Reserve Price in the Opening Round of the Auction.

A successful bidder at the Auction will be expected to pay a sum equal to the amount of the winning bid minus the IBD, as well as an operational Licence fee (where applicable) as detailed in Table 4.

Table 4: Payment for Operational Licence Fee

Operator Type	Explanatory Notes	UASL Fee (N374.6m)
Existing UASL holder	An existing UASL holder will not be required to obtain any additional Licence, but will use its UASL subject to the conditions contained in the 3.5GHz Spectrum Licence.	No
New UASL Applicant	A successful bidder shall submit a UASL application on or before 23 January 2023. The UASL is for a 10-year tenure subject to renewal.	Yes

At Auction Closure, each successful Bidder will automatically be deemed to have been awarded a provisional Spectrum Licence. The balance (Winning Bid Amount Less the IBD) of the Spectrum Licence fee shall be paid to the Commission on or before 20 January 2023, while the Operational Licence application (where applicable) shall be submitted to the Commission on or before 23 January 2023. FAILURE TO PAY WITHIN THIS STIPULATED TIME OR DATE, THE AWARD WILL AUTOMATICALLY LAPSE AND IBD FORFEITED. The Commission expects every bidder to develop a Business Plan to guide its bid. Bidders are expected also to bid based on the assessment of their Business Plans. Successful bidders are allowed to provide all telecommunication services permissible under the UASL.

5.1.3 Commencement Date, Duration and Geographical Area Coverage of Frequency Licence

The Successful Bidder(s) at the Auction will be issued a ten (10) year national Spectrum Licence. This Licence will authorise the licensee to make use of the designated part of the Electromagnetic Spectrum for the purpose of providing Broadband services.

The Spectrum Licence shall commence as will be stated in the Licence document. The Spectrum Lot won by each Bidder will be assigned on a nationwide basis covering all the States of the Federation and the Federal Capital Territory (FCT).

5.1.4 Access and Inspection

The Licensee shall permit members of the Commission, or persons authorised by the Commission, to gain access to radio and associated equipment at any reasonable time, or when, in the opinion of those persons an urgent situation has arisen, for the purpose of inspection and to ensure that equipment is being used in full compliance with all the terms and conditions of the licence.

5.1.5 Roaming

The Licensee may enter into roaming agreements with other operators as may be required, to offer ubiquitous and seamless communications services across the country. The Commission encourages roaming on commercial basis as provided in the terms and conditions for roaming in the UASL and the provisions of the [Guidelines on National Roaming in Nigeria 2021](#).

Without prejudice to the provisions of the Guidelines on National Roaming in Nigeria 2021, a successful bidder shall only be obligated to allow roaming on its 5G Network 4 years after this Auction or when all the Lots are sold, whichever one comes first. However, a successful winner who intends to allow roaming within the 4 years should apply to the Commission for consideration.

5.1.6 Commercial Launch Date

The launch of commercial services shall be not later than 12 months after the effective date of the Licence. The successful bidder shall be assigned the 3.5 GHz Spectrum Licence and the UASL where applicable and shall roll out services as follows:

- a. Year 1 to 2
Starting from the effective date of the licence. Rollout service in at least two States in each geo-political zone of the country: South-West (SW), South-South (SS), South-East (SE), North-Central (NC) including FCT, North-West (NW) and North-East (NE).
- b. Year 3 to 5
Additional 6 States other than those in Year 1 to 2, across the six geo-political zones.
- c. Year 6 to 10
Operators are encouraged to roll out across all other States.

Please note that service in each state would mean a minimum of 5 sites in a state at a minimum speed of 100 Mbps Downlink (DL) measured using the applicable test tools. This should take into consideration industrial areas, educational, medical and financial institutions within the State.

In the event of the Successful Licensee's inability to roll-out services as specified herein, the Commission

reserves the right to sanction the Licensee based on relevant sections of existing regulations except for areas where Force Majeure is established.

5.1.7 Tariffs

The Commission requires initial tariff and subsequent tariff changes to be submitted for approval. Tariffs must be submitted in a format approved by the Commission no later than one calendar month before the launch of commercial services or the publication of details thereof. The Commission will notify a licensee of its approval or otherwise in writing within 45 days.

5.1.8 Further Operational and Technical Requirements

The Licence will set out further conditions for licensees in respect of operational and technical requirements, including the following:

- a. Site clearance
- b. Technical equipment specifications
- c. Co-location of equipment

5.1.9 Licence Renewal Fee

The computation of the renewal fees for the spectrum will be set out in the Frequency Spectrum (Fees and Pricing) Regulations in force at the time of renewal.

5.2 Infrastructure Sharing

The Commission has published Co-location and Infrastructure Sharing Guidelines 2021 which will amongst others facilitate roll out of services using this band. The sharing of network, transmission and associated infrastructure and facilities with other licensed parties is subject to the provisions of the Guidelines. The Guidelines are available on the Commission's website.

There are other regulations applicable to site clearance, site maintenance and tower height that will apply to both the registered site owner and/or site tenant and the subcontracting party.

5.3 Operational Licence (Unified Access Service Licence)

Prospective Bidders are not required to hold any operational licence as a pre-qualification criterion; however, Applicants shall submit necessary details in accordance with the compliance requirements laid out in [Appendix D](#). A Successful Bidder without an applicable operational licence shall be required to obtain a Unified Access Service Licence (UASL) before roll-out.

A copy of the UASL template detailing all the requisite terms is contained in [Appendix L](#) of this IM.

The successful Bidder will be granted a UASL and shall pay the specified fee before being issued the licence. The tenure for the UASL is 10 years.

5.4 Overview of Licensing Process and Schedule

This section outlines the end-to-end licensing process including the Auction process to determine the Successful Bidders and the granting of appropriate Licences as set out below:

The licensing process will consist of a four-stage procedure, as set out in Figure 10:

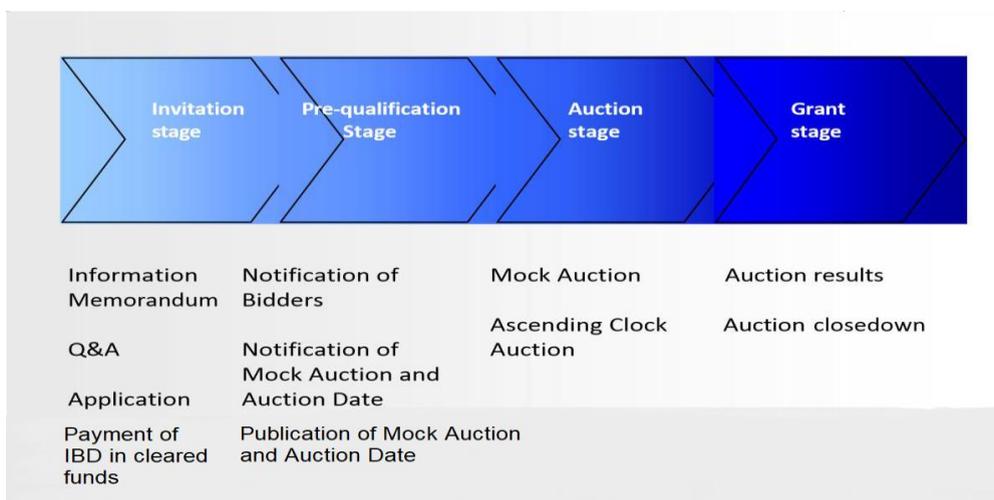


Figure 10: Four Stage Licensing Process

It is important to note that Applicants / Bidders will be responsible for all costs they incur in relation to this licensing process.

5.5 Overview of Licensing Process

5.5.1 Stage 1: Invitation Stage

A Public Notice was issued highlighting Spectrum that is available for Auction. This IM is made available to all interested parties through the Commission's website (www.ncc.gov.ng) and in printed version at the Commission's Head Office from 18 November 2022. In the event of any discrepancy between the electronic and printed versions, the electronic version is definitive.

5.5.2 Stage 2: Pre-Qualification Stage

The pre-qualification stage outlines the steps to be carried out and the requirements to be met by any corporate body seeking approval to participate in the 3.5 GHz Spectrum Auction. Only parties that meet these criteria will be allowed to take part in the Auction.

- a. All Applicants are required to confirm that they meet the pre-qualification criteria detailed in **Appendix E**, as submitted in their respective applications.
- b. Applicants (Domestic and Foreign) are not required to be Licensed Network Operators but must be incorporated in Nigeria before the Licence is issued.
- c. Applicants will be required to submit information using the templates provided in Part C of this IM.
- d. Approved Bidders are required to be independent of one another as defined in [Section 5.13.1](#). A Bidder shall not have a relationship with another Bidder. A relationship is defined as a situation where a Bidder has a direct or indirect ownership stake of 10% or more in another Bidder.
- e. Where applicable, an Applicant must disclose to the Commission any direct or indirect cross-ownership of 5 % or more with any other Licensed Network Operator in Nigeria for the Commission to be confident of the independence of Approved Bidders. Each Applicant is required to submit its Statement of Share Capital and Return of Allotment of Shares duly filed with the Corporate Affairs Commission (CAC) establishing its current shareholding structure.
- f. Each Applicant must provide Payment Advice, confirming that the applicable IBD has been deposited in the designated account.

- g. Applicants must transfer an IBD corresponding to the number of Lot(s) applied for (please refer to Table 3) into the designated account in cleared funds not later than 17.00 hours West African Time on 05 December 2022. This deposit will bind the Applicant to take up a licence, should it be a successful Bidder, at the Reserve Price or any higher bid value submitted during the process.
- h. The IBD is a commitment from the Applicant to pay at least the Opening Bid for the licence, as specified in this IM, and to participate in the Auction process. Failure to participate in the Auction process shall result in the forfeiture of the IBD. The Commission reserves the right to request additional information and / or clarification based on an Applicant's submission. Each Applicant is required to comply with all such requests.
- i. Applicants will not be required to submit financial or technical plans in the pre-qualification process. However, details of necessary information must be provided in accordance with the compliance requirements set out in [Appendix D](#).
- j. Each applicant will be informed in writing by 17.00 hours (WAT) on 09 December 2022, if it has been successful in its application to compete in the Auction stage of the licensing process after meeting the prequalification criteria. Such applicant will be awarded the status of Approved Bidders.
- k. Any unsuccessful applicant will be informed and its IBD will be returned as detailed in [Section 5.26](#).

5.5.3 Stage 3: Auction Stage

- a. The Auction of the remaining 2 X 100 MHz TDD Lots in the 3.5 GHz Spectrum band will take place in the city of Abuja, the capital of the Federal Republic of Nigeria at a location to be specified by the Commission. The auction will be an Ascending Clock Auction with Exit Bids as described in [Section 5.11](#).
- b. The Auction stage of the licensing process details the controls and procedures in place to manage the competitive bidding between Approved Bidders for the award of the Spectrum licences.
- c. Note that if the aggregate demand from the Approved Bidders is less than or equal to the number of Lots on offer, then the Commission will provisionally award the Licence(s) to those party / parties at the Reserve Price.
- d. On completion of the Auction, each successful Bidder will be deemed to have been awarded a provisional licence and will be required to pay the balance (Winning Bid Amount Less the IBD) of the Spectrum licence fees due to the Commission on or before 20 January 2023.
- e. It is not envisaged that Auction Days will occur on weekends or national public holidays.
- f. The Commission reserves the right to make necessary and reasonable adjustments to the process in the overall interests of achieving a fair and transparent outcome.

5.6 Auction Rules

The Auction rules are based on the following principles:

- a. The Licensing Process will be conducted in a fair, open and transparent manner. All participants in the Auction will be expected to embrace the same principles.
- b. The Commission reserves the right to exclude any party that has been deemed not to have conducted itself in this way. In addition, the IBD may be forfeited under such circumstances.
- c. All participants must abide by the Auction Rules or face disqualification.

5.7 Key Auction Roles

The following Key Auction Roles are defined in [Appendix A](#) of this IM:

- a. Auction Overseer
- b. Auction Manager
- c. Auction Administrator
- d. External Communication Manager
- e. Applicant
- f. Approved Bidder
- g. Bid Teams
- h. Bid Team Member
- i. The Commission Observers
- j. Independent Observers
- k. Auction Runners

5.8 Auction Logistics

5.8.1 Auction Day

The Auction Day will commence at 08.00 hours (WAT) and will continue until Winners emerge. Tea Break, Lunch and Dinner will be provided in the individual Auction Rooms as may be required.

5.8.2 Auction Location

The Auction Location is the venue that will be used to host the Auction process in Abuja.

5.8.3 Auction Room

The Auction Room is an allocated room within the Auction Location where the Approved Bidder Bid Team will be situated on the Auction Day with the Commission Observer and the Auction Runner.

5.9 Notification and Changes to Bid Team Members

The Commission reserves the right to request the nomination of an alternative Bid Team member in circumstances where the Commission disqualifies a bid team member.

Requests for changes to Bid Team members must be made twenty-four hours in advance and are subject to the Commission's agreement. Any deviation due to exceptional circumstances will be at the sole discretion of the Commission.

5.10 Safeguards against Anti-Competitive Behaviour by Bidders

- a. Each Bid Team will consist of no more than four Bid Team Members as detailed on the bidding application form. The Commission will review the proposed Bid Team members and reserves the right to request alternative nominations. The Commission must be given at least 24 hours' notice of any proposed change(s) to personnel.
- b. Each Bid Team will be allocated an individual Auction Room within the Auction Location. The Commission Observer and the Auction Runner will always accompany the Bid Team during the bidding process.

- c. The Auction Room will be equipped with a computer connected through a secure internet link to the Auction Software that will be used by the Bidders to remotely participate in the Auction.
- d. The Auction will be run in a series of Rounds and the Bidding Schedule will be provided to the Bid Teams.
- e. The Bid Teams will access the Auction Software using secured passwords to place their respective Bids electronically in each Bidding Round until the end of the Auction.
- f. Bid Teams are forbidden from using any type of communication method or device, electronic or otherwise, to communicate with parties outside their allocated Auction Room. This includes, but is not limited to, the use of any personal electronic device(s) such as laptop computers, Personal Digital Assistants (PDAs), mobile phones and internet enabled smartwatch. All bidding materials will be in the format defined and provided by the Auction Manager.
- g. If a Bid Team is found to be communicating with person(s) outside their Auction Room, that Bidder shall be excluded from further participation in the Auction and the Bidder's IBD shall be forfeited.

5.11 Ascending Clock Auction

The Commission shall adopt the Ascending Clock Auction Format with the General Auction Rules as stated below:

5.11.1 General Auction Rules

Bidding will commence at 10:00 hours on the Auction Day. If this start time is delayed, the Commission will notify the Bidders. The Auction will proceed as follows:

- a. In the Opening Round of the Auction, a Bidder is permitted to bid for the number of Lots according to its eligibility points. Bidders will be required to indicate acceptance of the Opening Bid at the indicated Round Price. Failure to accept the Opening bid will result in disqualification and forfeiture of the Bidder's IBD.
- b. The Lot price in the Opening Round will be the Reserve Price (RP) plus the Bid Increment (BI). (i.e., $RP + BI$). The BI for the Opening Round will range from 0.01% to 2.5% of the RP.
- c. If there is excess demand in subsequent rounds, the Round Price will increase by the BI for that round of the Auction.
- d. A Bidder with two (2) eligibility points may after the opening bid round choose to reduce its eligibility point to one (1). However, a Bidder must have at least one (1) eligibility point at every stage of the auction in order to remain in the Auction.
- e. A Bidder must bid in every round of the Auction. Failure to accept the Round Price in any round will automatically make such Bidder not eligible to bid in subsequent rounds of the Auction. The Bidder is required to enter an exit bid. Failure to enter an exit bid will result in forfeiture of the Bidder's IBD and other sanctions as the Commission may deem fit including possible disqualification from future licensing of the same band.
- f. As the Auction progresses, the Auction Manager, in consultation with members of the Auction Team will, at his/her discretion vary the increment within the following range: 0.001% to 5% if they feel that this will promote competition and lead to an efficient outcome of the Auction. The percentage bid increment may also be reduced at the discretion of the Auction Manager in consultation with the Auction Team.

- g. In every round where aggregate demand exceeds 2 Lots, the auction will continue.
- h. At any round where the aggregate demand is equal to 2 the auction will end, the winning Bidder(s) will be declared, and the process will advance to the Assignment Stage.
- i. At any round where aggregate demand is less than 2, the auction will end. The winning Bidder that accepted the bid price will be entitled to one Lot while the other Lot will be given to the Bidder who made the highest exit bid, and the process will advance to the Assignment Stage. The Auction price will be the highest exit bid, or the tiebreaker bid price.
- j. Where the exit bids are the same the process will advance to the tie-breaker stage.
- k. Each Bidder will be required to place a bid within the time allotted for each round to be entitled to continue in the Auction process.
- l. A Bidder is permitted to bid in any round according to its eligibility point.
- m. Bidders are permitted to enter exit bids in any round except the Opening Round.
- n. All bids placed at each round are binding commitments on the Bidder.
- o. In the event that a Tiebreaker Round is required, and the tied bidders offer the same amount in the Tiebreaker Round then the winner will be chosen by Throw of Dice. The Bidder who throws the highest number will be declared the winner.
- p. At the end of the Auction when the Lots have been assigned to the winning bidder(s), all non-winning bids including exit bids placed during the Auction will cease to be legally binding commitment to pay.

5.11.2 Exit Bids

Exit Bid refers to the bid amount placed when a Bidder exits the auction by reducing its eligibility point to zero (0).

- a. Where all Bidders place Exit Bids in a round, the Exit Bids will be considered in descending order with one Lot going to the Bidder with the highest Exit Bid and the other Lot going to the Bidder with the second highest Exit Bid. The second highest exit bid will be the Auction price.
- b. A Bidder is only permitted to place an exit bid in an auction round when its eligibility point is one (1) and it wishes to exit the auction, by changing its eligibility point to zero (0) eligibility and placing an Exit Bid amount. Placing Exit Bid is a commitment on the bidder to accept and pay for the Lot at the price placed in its Exit Bid.
- c. Without prejudice to the preceding paragraph, if a Bidder did not win any Lot in the clock auction round, only one Lot can be won in the exit bid round, or tiebreaker round.
- d. The Price offered as the exit bid must be more than the round price of the previous round, but less than the round price in the current round.

5.11.3 Tiebreaker Rules

- a. A tie occurs when two or more bidders at the exit bid place the same bid amount.
- b. The Bid at the tiebreaker round shall be at an amount greater than the amount at which the tie occurred.

- c. The winner in case of a tie will be determined by the highest bidding amount. The bidder in this case shall pay the exact amount bid in the tiebreaker round where the tiebreaker amount is higher than the highest exit bid.
- d. If bids are still tied after the Tiebreaker Round, then the winner shall be chosen by Throw of Dice. The Bidder who throws the highest number will be declared the winner. This process will be repeated if the same number is thrown by two or more parties until a winner emerges.

5.11.4 Assignment Stage

- a. Each winning bid will be assigned one Lot of 100 MHz Bandwidth.
- b. Where a winner prefers a particular Auction Lot (frequency range), it can express this by taking part in the Assignment stage.
- c. The Assignment stage is a single round with no upper limit but a lower limit of \$11,120,000USD for each selection.
- d. Any winner not interested in participating in the Assignment stage will be offered the available Lot after the assignment round has been concluded.
- e. The right of first choice of an Auction Lot (frequency range) shall be given to the Bidder that offers the highest amount in the Assignment stage.
- f. The Commission reserves the right to determine the band plans from which bidders may choose available frequency ranges.
- g. The successful Bidders and their final Bids will be made public via a press statement. This will mark the end of the Auction process.
- h. To guard against the unlikely situation in which the Auction Management Software (AMS) cannot be used or fails during the Auction, the Commission will establish an alternative system (Manual Auction) of bidding using Auction Runners to deliver bids from Approved Bidders to the Auction Manager and Auction Overseer in the Auction Room.
- i. Under the alternative system, each Approved Bidder will be given a secure 10 digits “key” (to authenticate the source of the message) which it will affix, write or incorporate to each bid that it sends through the Auction Runner to the Auction Room. Each bid will be signed by two members of the Bidding Team.
- j. If the AMS fails, an Auction Runner for each Approved Bidder will be dispatched from the Auction Room with a bidding form for each bidder, and an envelope for them to use to seal their bid.
- k. To enter its bid, an Approved Bidder will fill out the bid form by indicating either its acceptance of the bid or an exit bid and affixing its key and two signatures to the bid form and sealing the form in the envelope.
- l. Auction Runners will take these sealed bids back to the Auction Manager and Auction Overseer who will have a matching “key” for each Approved Bidder. They will use these “keys” to authenticate the bids brought by the Auction Runner and record these bids in an Excel spreadsheet. This system will be employed repeatedly until Provisional Licence Winners are determined.

5.11.5 Provisional Winners

The Auction Closure will occur when the Public Announcement is made by the Auction Overseer/Manager, revealing the provisional winners to be awarded the Licences under this process. At this point each successful Bidder will automatically be deemed to have been awarded a Provisional Licence. The balance (Winning Bid Amount Less the IBD) of the Auction fee shall be paid to the Commission on or before 20 January 2023.

5.12 Financial Penalties

By entering this licensing process, all Applicants / Bidders are making a commitment to abide by the requirements and rules in relation to this Spectrum licensing process as communicated by the Commission. The Commission reserves the right to impose financial penalties on Applicants / Bidders in the event of infringement of these requirements and rules. The financial penalties will be deducted from the Intention-to-Bid Deposits provided by Applicants / Bidders and the Commission's decision in these matters will be final.

5.13 Behaviour and Relationships

5.13.1 Bidder Relationships

- a. It is not allowed for a Bidder to have a relationship with another Bidder during the period of the licensing process. For the purposes of this licensing process, this period starts with the issuance of the IM and stops at the grant of the Licences. A relationship is defined as where a Bidder owns directly or indirectly an ownership stake of 10% or more in another Bidder.
- b. To avoid a Bidder relationship conflict, Applicants are required to notify the Commission of any cross-investments with other Licensed Network Operators in Nigeria of 5% or more and any other information of which they are aware that could give rise to such a Bidder relationship conflict.
- c. Where it is shown that such a relationship exists, or has existed during the licensing phase, the Commission reserves the right to exclude any or both Bidders from the process and withhold the IBD where the parties fail to notify the Commission before the Auction Day.
- d. The Commission reserves the right to impose financial penalties (see [Section 5.12](#)) and/or exclude any Bidder where it has been demonstrated that the Bidder is involved in an anti-competitive relationship against the principles guiding the Auction. The Commission also reserves the right to exclude these Bidders from future Spectrum auction events.

5.13.2 Anti-Competitive Behaviour by Bidders

- a. Bidders are not permitted to enter any arrangement with any party that would restrict the ability of other Bidders to plan, build or operate their networks under the Spectrum Licence.
- b. Bidders are not permitted to engage in any type of restriction on the costs of software or equipment with suppliers that would influence the ability of other Bidders to plan, build or operate their networks under the Spectrum Licence.
- c. Applicants are not permitted to receive advice on 3.5 GHz Spectrum Auction matters from any persons retained as an advisor by another Bidder in the Spectrum licensing process.

5.13.3 Confidentiality

- a. Any confidential information that is submitted to the Commission by Bidders will not be disclosed to

other parties unless it is deemed essential to the fair running of the licensing process or required by law. Under these circumstances, full consultation will take place with the affected party.

- b. Confidential information will include items such as business cases, bidding details and bidding strategies.
- c. All information issued by the Commission in relation to this 3.5 GHz Spectrum licensing process should be regarded as non-confidential unless explicitly stated.
- d. Notwithstanding the above, Bidders must not make any public statement concerning the Auction during its progress.

5.13.4 Complaints, Grievances and Resolutions

- a. The details of all complaints and grievances should be submitted in writing to the Commission. No other method of submission is permissible.
- b. Complaints and grievances will be accepted during and up to one day after the Auction.
- c. Resolution will be in the form of a formal documented reply from the Commission with clearly defined actions to be taken where appropriate. The Commission's decision is final.

5.13.5 Communication

All communication between Bidders relating to the 3.5 GHz Spectrum licensing process is prohibited. This includes but not limited to bid strategy, valuation and budgets. If a Bidder knowingly and purposely communicates with another Bidder during the licensing process, the Commission has the right to impose financial penalties, at the Commission's discretion as prescribed in [Section 5.12](#). It also reserves the right to exclude the party or parties from further participation in the Auction.

Should a Bid Team require to communicate with the Auction Manager on the Auction Day, it should submit a sealed written communication document to the Commission's Observer present in the Auction Room. This communication will then be passed to the Auction Manager for immediate response.

5.14 Disqualification from the Process

If a Bidder is disqualified from the process, the Commission reserves the right to impose a penalty. The maximum penalty may result in forfeiture of the full IBD paid and the Bidder may be barred from future auctions.

5.15 Restart of the Auction

Where the Auction Manager determines that there has been a violation of the Auction Rules, the Commission reserves the right to exclude any Bidder or Bidders from the auction process. Under such circumstances, it is at the Commission's discretion whether the Auction will continue or be restarted. Causative circumstances for an Auction restart would include instances where the bidding process has been influenced or where bids have been excluded or distorted in the Auction process.

5.16 Opening Bid

The opening bid shall be a minimum value of the Reserve Price plus the Bid Increment.

5.17 Late Bid Team Arrival

The Commission will only consider delaying the commencement of the auction on the Auction Day, where it

can be shown that exceptional circumstances have prevented any Bid Team from arriving on time. Approved Bidders are required to get in touch with the Auction Manager before arrival and provide proof for any lateness on arrival.

It is at the sole discretion of the Commission to determine if the circumstances stated are acceptable.

5.18 Late Bid Circumstances

The Auction Software will reject late bid submissions on the Auction Day(s). Where a Bidder fails to enter a bid in any round, its eligibility to continue will automatically lapse as outlined in the General Auction Rules in [Section 5.11.1](#).

5.19 Changes in Applicants' Circumstances

Any change to a Bidder's circumstances during the licensing process that would affect the process should be reported in writing to the Commission at the earliest opportunity at least 24hrs before the Auction Day.

5.20 Application Withdrawal Policy

An application to participate in the licensing process cannot be withdrawn and any such withdrawal will result in that Applicant/Bidder forfeiting the IBD.

5.21 Auction Process Briefing

Approved Bidders will be required to participate in a Mock Auction that will replicate the actual Auction process. This Mock Auction will take place on 16 December 2022. It is mandatory for Approved Bidders to attend and participate in the Mock Auction. Details of this event will be communicated to the Approved Bidders and published on the Commission's website.

5.22 Language

All communication shall be in English language.

5.23 Governing Law

National Law – This IM and any licence issued shall be exclusively subject to and interpreted in accordance with the laws of the Federal Republic of Nigeria.

Dispute Resolution – Any dispute over the licensing process shall be settled by the Commission under the terms of this IM and in accordance with the dispute resolution processes of the Commission.

5.24 Currency

All currency amounts stated throughout this document are in United States Dollars (US\$) except where it is specified otherwise. All currency amounts used in all bidding stages shall also be in United States Dollars (US \$).

5.25 Financial

The IBD may be paid for in Naira at the Central Bank of Nigeria (CBN) exchange rate prevailing on the date of payment while the Spectrum Licence fees may be paid for in Naira at the Central Bank of Nigeria (CBN) exchange rate prevailing on the date of Auction.

5.26 Intention-To-Bid Deposit (IBD)

- a. Applicants must pay an Intention-to-Bid Deposit (IBD) for each Lot which is 10% of the Reserve Price of the Lot into the designated account in cleared funds. This deposit will bind the Applicant to take up a Licence, should it become a successful Bidder, at the Reserve Price or any higher bid value submitted during the process.
- b. The IBD is the deposit payment required to be made by all Applicants as part of the Pre-qualification process. This payment must be confirmed to have been received by the Commission on or before the application submission deadline (as defined in the licensing process timetable).
- c. The IBD is a commitment from the Applicant to pay at least the Opening Bid for the licence, as specified in this IM, to enable participation in the Auction process.
- d. Failure to meet any of the stipulated obligations in relation to this Auction shall result in the forfeiture of the IBD.
- e. In the event that any Approved Bidder is successful in the Auction process, the full IBD will be offset against payment for the actual spectrum licence. This is subject to no penalty having been incurred during the Auction.
- f. Approved Bidders who have been unsuccessful in the Auction process will have their IBD returned to them in full, subject to no penalty having been incurred during the Auction. The IBD will be refunded to unsuccessful bidders within 30 days from the close of the Auction.
- g. Applicants must have transferred the IBD by 17.00 hours (WAT) on 05 December 2022 so that it is confirmed to have been received by the Commission into the designated account. This is part of the pre-qualification process.
- h. The designated bank accounts details to which Applicants must send the funds are as follows:

Applicants / Bidders That Intend to Pay in United States Dollars (USD\$):

Account Name: CBN-Nigerian Communications Commission
Account Number: 100367-USD-CLBANK-21
NUBAN: 3000117007
Swift Code: FBNIGB2L
IBAN Number: GB80FBNI40520410036721
Bank Name: First Bank UK Limited
Bank Address: 28, Finsbury Circus,
London EC2M 7DT,
United Kingdom
Currency: United States Dollars (USD)

Applicants / Bidders That Intend to Pay in Nigerian Naira (₦)

Note: Applicants / Bidders that wish to pay in Naira should pay the Naira equivalent of the designated amounts at the prevailing Central Bank of Nigeria (CBN) official Exchange Rate at the date of the payment.

Account Name: Nigerian Communications Commission
Account Number: 002 016 906 1018
NUBAN: 3000047782
Bank: Central Bank of Nigeria

Any penalty will be deducted on the day that it is incurred. Bidders will be informed in writing of any such penalties.

5.27 Technical Details of the Spectrum Offered

The following section outlines the packaging of the 3.5 GHz Spectrum being made available at Auction and addresses several related issues such as interference, cross-border co-ordination, frequency band clearance and synchronization schemes.

5.28 Spectrum Packaging

The use of radio Spectrum is planned both at National and International levels to co-ordinate the utilization of particular frequency bands for different services.

The current frequency band plan for 3.5 GHz band is shown in Figure 11.

3400-3500 MHz	3500-3600 MHz	3600-3700 MHz	3700-3800 MHz	3800-3900 MHz
LOT A	LOT B	LOT C	LOT D	GUARD BAND (NOT AVAILABLE)
100 MHz				

Figure 11: Nigerian Communications Commission 3.5 GHz frequency band plan

5.29 3.5 GHz Spectrum Auction Package

In this Auction process, the Commission is offering the remaining 2 Lots of 100 MHz TDD Spectrum in the 3.5 GHz band ranging from 3400 – 3500 MHz and 3600 – 3700 MHz (totalling 200 MHz). The Spectrum status in the 3.5GHz band plan is shown in Figure 12:

3400-3500 MHz	3500-3600 MHz	3600-3700 MHz	3700-3800 MHz	3800-3900 MHz
LOT A 100 MHz	LOT B 100 MHz	LOT C 100 MHz	LOT D 100 MHz	100 MHz
AVAILABLE	ALLOCATED	AVAILABLE	ALLOCATED	GUARD BAND (NOT AVAILABLE)

Figure 12: Spectrum Status in the 3.5GHz Spectrum band

5.30 Spectrum Cap

The Commission places a cap of 200MHz as the maximum amount of Spectrum an Applicant can acquire in the 3.5GHz band. A Licensee with an existing Assignment in the 3.5GHz band is eligible to bid for only one (1) Lot of 100MHz. However, Applicants without Spectrum holding in the 3.5GHz band are eligible to bid for the two Lots on offer.

5.31 Spectrum Coordination

A Licensee will be required to coordinate Spectrum use to avoid interference with other operators and parties making use of adjacent frequencies. The Commission will however resolve any dispute where parties are unable to reach agreement on co-ordinating the use of Spectrum.

5.32 Interference

Any equipment installed, maintained, and used by a Licensee shall, throughout the tenure of the Licence, conform to such specifications and standards as prescribed by the Commission and relevant ITU recommendations. The Commission will define spectral masks for the Spectrum band. The Commission shall also define a “default” mask that shall be used for technologies not covered by technology-specific masks. This mask shall be contained in the technical specifications of the Spectrum Licence. Bidders must perform their own analysis of potential interference scenarios. Where equipment is co-located, or located close to other equipment, the Licensee should enter its own negotiations with third parties. Transmit Power limits are as specified for Region 1 of ITU in the Radio Regulations and Recommendations.

As the Spectrum being licensed is for use in TDD format, operators should agree with other operators as it concerns adjacent frequency bands with respect to synchronization scheme to adopt, or other technical possibilities to avoid interference.

5.33 Cross Border Coordination

The Commission in conjunction with relevant agencies of government may vary the technical parameters of licences subject to co-ordination activities with neighbouring countries. The variance of such parameters will usually take the form of a Memorandum of Understanding (MoU) with foreign Administrations/Regulators and other parties. Such MoU would seek to place restrictions on the native operator’s signal strength permissible at the neighbouring country’s borders. The Commission expects to reach such agreements with neighbouring countries to implement reciprocal restrictions on native operators. It is noteworthy that the Commission complies with ITU Coordination Procedures specified in the Radio Regulation and therefore Nigerian licensees shall be required to comply with such coordination procedures.

5.34 Band Clearance

The Commission has undertaken to ensure that the Spectrum being offered for Auction is available and clear of all encumbrances. The Commission will continue to enforce a policy whereby all licensed operators neither cause, nor are affected by, interference to / from other Spectrum users. Lots 3400-3500 and 3600-3700 of 100 MHz bandwidth each, shall be cleared and made available for commercial roll out six months after the Auction.

The Commission reaffirms its intention to systematically migrate incumbent users of the 3.5GHz band in the future to free up Spectrum and make it available for the deployment of new services. In such instances, the Commission will issue information and carry out appropriate consultations with the industry.

5.35 Spectrum Assignment for Network Backhaul

The terms of the licence authorises the use of the specified Spectrum for the provision of communications services, while access to additional Spectrum for the purposes of transmission and backhaul falls under the terms of a separate licensing process. The process and conditions for such additional licensing are available on the Commission’s website.

5.36 Spectrum Trading

Requirement for trading of acquired Spectrum shall be in accordance with the provisions of the [Guidelines on Spectrum Trading](#) issued by the Commission, which is available on the Commission’s website.

5.37 Radio Frequency (RF) Exposure Guidelines

Radio Frequency (RF) exposure limit for the 3.5 GHz frequency band shall be in conformity with the International Commission on Non-Ionizing Radiations Protection (ICNIRP) 2020 Guidelines, for the

protection of humans exposed to radio frequency Electromagnetic Fields (EMFs) in the range 100 kHz to 300 GHz. Operators are required to conduct Environmental Impact Assessment (EIA) as specified in the relevant Nigerian Environmental Laws.

5.38 Quality of Service and Network Security

5.38.1 Introduction

This section deals with aspects of network security as it concerns 5G networks, licensees are required to carry out their own assessment and take steps to ensure the security of their networks in line with global best practices.

5.38.2 Information Security

5G networks in comparison to the existing networks and generations of the communications technology are fundamentally different. While the previous technology generations mostly relied on hardware components which often get outdated, the 5G technology largely relies on the software and cloud infrastructure to virtualize network functions. Cloud services will play very critical roles in the 5G technology, and both the virtualization and cloudification of network functions will unlock a myriad of new possibilities for managing and securing networks. Software Defined Networks (SDNs) will facilitate the creation of tailored virtual environments which will apply security controls customized to the data and devices used within the virtual environment.

Operators are required to consider and implement measures towards securing the 5G ecosystem, addressing 5G Cybersecurity Risks and taking cognizance of Third Generation Project Partnership (3GPP) and NESAS Security Provisions.

5.38.3 Securing the 5G Ecosystem

The reliance of 5G on software makes the mitigation of risks of software vulnerabilities exceedingly critical. Network Virtualization, Virtualized Radio Access Network (vRAN), Open RAN technologies, Software-Defined Networking (SDN), Network Slicing, Cybersecurity are some of the reasons why security is paramount in 5G. Therefore, operators are expected to invest in piloting these technologies to test out new security techniques such as segregation of suspicious traffic, protection of sensitive information, authentication of users and other fundamental security needs. Hence, the design, deployment, configuration and maintenance of 5G networks is critical to ensure end-to-end security.

The Commission is developing a 5G Risk Management Framework (RMF) that all Licensees shall be required to comply with.

5.38.4 Performance Reporting

Key Performance Indicators (KPIs) for 5G shall be developed in line with the evolution of the technology and services in conjunction with the industry and in accordance with relevant ITU-T standards. The KPIs are usually assessed on a monthly basis with a view to ensuring compliance with set standards.

PART C:

APPLICATION DETAILS, CONTACT INFORMATION AND INDICATIVE TIMETABLE

6: PART C:

6.1 Introduction

This section provides a summary of the actions required to be taken by Applicants to submit an application to participate in the 3.5 GHz Spectrum Auction.

In the event of any discrepancy between the application instructions contained in this section and the licensing process descriptions provided above, the licensing process descriptions shall prevail.

6.2 Application Instructions

- a. Each Lot of 100MHz TDD corresponds to 1 Eligibility Point.
- b. The minimum eligibility point required to qualify to participate in the auction is 1 point.
- c. Interested Applicants without an existing assignment in the 3.5GHz band are allowed to apply for more than 1 Lot (100MHz TDD) in this auction, such Applicants will have two (2) eligibility points.

6.3 Application Format, Address and Delivery

All applications must be submitted using the standard templates that are included in this IM (see [Appendices B-G](#)).

- a. All templates and forms must be submitted on the Applicant's letter headed paper. The Commission expects applicants to provide complete information as required in the templates.
- b. Applications should be submitted in a sealed envelope, marked as follows: "3.5 GHz Spectrum Auction" addressed to:

The Executive Vice Chairman/CEO
Nigerian Communications Commission
Plot 423 Aguiyi Ironsi Street
Maitama, Abuja,
Federal Capital Territory Nigeria
- c. Applications should reach the above address on or before the Application Deadline.
- d. It is strongly advised that all Applications should be delivered in a secure manner and that legal representatives accompany the delivery of the Application Form.
- e. Applications can also be submitted through scanning copies of the applications documents through the designated email address for the auction; spectrumauction@ncc.gov.ng

6.4 Application Deposit

By 17.00 hours (WAT) on 05 December 2022 Applicants must have transferred the IBD so that it has been received by the Commission as cleared funds in the designated account; see [Section 5.26](#). This forms part of the pre-qualification criteria.

A duly completed Cover Letter, as contained in [Appendix B](#), should be signed and dated by an Authorised Signatory of the Applicant. This Authorised Signatory should be included as a member of the Bid Team, as detailed in the Bidder Compliance Certificate template, found in [Appendix G](#).

6.5 Pre-Qualification Criteria Table

A duly completed pre-qualification criteria table, contained in [Appendix E](#), should be signed and dated by an Authorised Signatory of the Applicant. This Authorised Signatory should be included as a member of the Bid Team, detailed in the Bidder Compliance Certificate template in [Appendix G](#).

The pre-qualification criteria table requires the Applicant to self-certify against the following criteria:

- a. Incorporated as a company in Nigeria (attach Certificate of Incorporation, Particulars of Directors, Statement of Authorised Share Capital, Return of Allotment of Shares and Memorandum & Articles of Association)
- b. At the application stage a company yet to be incorporated in Nigeria should provide its incorporation documents from its home jurisdiction
- c. Independence from other Applicants
- d. Notification of Advisors
- e. Payment of Intention-to-Bid Deposit
- f. Fulfilment of regulatory obligations

6.6 Intention-to-Bid Deposit (IBD)

The IBD submitted by Applicants shall:

- a. Be 10% of the reserve price
- b. Be deposited and have been confirmed received by the Commission into the designated account before the Application deadline
- c. Form part of the legal commitment of the Applicant to participate in the Auction process if the approved bidder status is confirmed, and the commitment to take up a Licence if the Applicant becomes one of the successful Bidders.

6.7 Bid Deposit Payment Form

A duly completed Intention-to-Bid Deposit Payment Form contained in [Appendix F](#) should be completed, signed and dated by an Authorised Signatory of the Applicant.

6.8 Binding Nature of Application

By submitting an application, the Applicant will be bound by the information provided therein and the commitments outlined in this IM and any subsequent notices and communications by the Commission relating to the 3.5 GHz Spectrum Auction.

6.9 Completeness of Applications

Incomplete applications will not be considered by the Commission. If there is any doubt surrounding the completion of applications, this should be addressed in writing to the Executive Vice Chairman, clearly marked “**3.5 GHz Spectrum Auction**”, at least two business days before the application deadline. A scanned copy of such request for clarification should also be sent to spectrumbauction@ncc.gov.ng within the same timeline.

6.10 Contacts, Communications and Indicative Timetable

6.10.1 Contacts for Enquiries

Enquiries relating to the IM should be addressed during the specified communication period to:

The Executive Vice Chairman/CEO
Nigerian Communications Commission
Plot 423, Aguiyi Ironsi Street
Maitama, Abuja,
Federal Capital Territory
Nigeria

OR

spectrumbauction@ncc.gov.ng

The Executive Vice Chairman of the Nigerian Communications Commission.

In both instances, all communication should be clearly marked “**3.5 GHz Spectrum Auction**”.

6.10.2 Communication Process

Following the issuance of this IM, the Commission may publish further information as well as any questions received, and any answers provided. The Commission, however, reserves the right not to respond to a particular question.

The Commission reserves the right to publish in whole or in part, questions from recipients of this IM and the answers provided on its website (www.ncc.gov.ng). Note that questions may be edited to remove personally identifiable references.

6.10.3 Indicative Auction Timetable

The timetable for the licensing process, including the Auction stage, is set out in Table 5. The timetable is indicative and subject to amendment by the Commission.

Table 5: Indicative Timetable

DATE	ACTIVITY
Invitation Stage	
21 October 2022	Publication of Draft Information Memorandum
11 November 2022	End date for comments and questions on Draft IM
15 November 2022	Stakeholder Engagement
16 November 2022	Review of Draft Information Memorandum
18 November 2022	Publication of responses to comments and questions on Draft IM and Publication of Final Information Memorandum
21 November 2022	Application Start Date
05 December 2022	End of submission of Application
	End Date for Payment of mandatory Intention-To-Bid Deposit (IBD)
	Pre-Qualification Stage
09 December 2022	Notification of Qualified Bidders
	Notification of Mock Auction and Auction date
	Publication of Mock Auction and Auction date
Auction Stage	
16 December 2022	Mock Auction
19 December 2022	Auction Day
Grant Stage	
21 December 2022	Publication of Provisional winners
	Notification of provisional award of licence
20 January 2023	Payment for Spectrum Licence and Operational Licence (where applicable)
23 January 2023	Publication of Final result

7: Appendices

7.1 Appendix A: Glossary of Terms

3.5 GHz Spectrum Auction	The end-to-end Spectrum licensing process addressed by this Information Memorandum
Active Bid	Any submitted Bid value featuring in the bidding round.
Active Bidder	A Bid Team that has not withdrawn from Auction proceedings.
Applicant	A corporate body that has submitted a completed bid application form, the prequalification criteria checklist, Intention-to-Bid Deposit in order to be considered for Approved Bidder status by the Commission.
Approved Bidder	A corporate body that has met the pre-qualification criteria and received formal approval from the Commission to participate in the 3.5 GHz Spectrum Auction and has committed itself to compete in the Auction.
Ascending Clock Auction	An auction design where the Auction Manager receives Bids and implements Bid Increment in every Round where demand for the item being auctioned exceeds the supply until demand is equal to or less than supply.
Auction	The stage of the licensing process where competitive bidding is undertaken to purchase a Spectrum licence.
Auction Administrator	Person assigned to ensure the smooth running of the administrative functions during the Auction phase of the 3.5 GHz Spectrum licensing process.
Auction Closure	The public announcement following the completion of the Auction.
Auction Location	The Venue that will be used to host the Auction stage of the licensing process.
Auction Management Software	The secure, Internet-based software that Bidders will use to enter their Bids in each Round of the Auction.
Auction Manager	Person responsible for the operation of the Auction process, including the determination of the bidding increments for each round
Auction Overseer	Person responsible for monitoring the Auction process, providing assurance to Approved Bidders with respect to the final Auction result and resolution of any Auction process issues.

3.5 GHz Spectrum Auction	The end-to-end Spectrum licensing process addressed by this Information Memorandum
Auction Rooms	Secure, individual rooms provided for and used by each Bid Team for the duration of the Auction process.
Auction Round	The period during which each of the Active Bidders must carry out an action, the end of which is signified by the Auction Manager publishing the number of active bids and bid values.
Auction Runner	A person selected by the Commission to deliver sealed bids from the Bidders to the Auction Manager in the case of a Manual Auction. The Auction Runner will also relay messages from the Auction Manager to the Bidders.
Auction Team	Representatives of the Commission empowered to oversee the Auction Process. These include amongst others, the Auction Overseer and Auction Administrator.
Authorised Officer	A person authorised by an Applicant to act on its behalf, as defined in the Bidder Compliance Certificate
Authorised Signatory	A person authorised to contract on behalf of the Applicant /Bidder.
Bid	The value that an Approved Bidder has declared to be willing to pay for a Spectrum licence in any Auction round.
Bidding Action	The process by which a Bid Team indicates willingness or otherwise to pay the current price for a Spectrum block in the 3.5 GHz band Auction. There are two types of Bidding Action: bid and exit bid.
Bidder	A Bidder is a corporate body that has been prequalified to participate in the Auction process for award of a Spectrum licence.
Bid Increment	The amount by which a bid is increased between Auction rounds. The increment will vary within the following range: 0.001% to 5%.
Bid Form	The paper form (for Manual Auction) on which an Approved Bidder makes an action known in each round.
Bid Team	A group of people authorised by an Applicant to participate in the Auction process, comprising not more than four people, one of whom should be the Authorised Officer (as defined in the Bidder Compliance Certificate template).

3.5 GHz Spectrum Auction	The end-to-end Spectrum licensing process addressed by this Information Memorandum
Bid Team Member	A Member of the Bid Team authorised to act on behalf of the Approved Bidder.
Commission	The Nigerian Communications Commission.
Good Regulatory Standing	A Licensee that has met all regulatory requirements and obligations to the Commission is said to be in Good Regulatory Standing.
Independent Observer	Person(s) invited by the Commission to observe the Auction proceedings. These are Association of Telecom Companies of Nigeria (ATCON), Association of Licensed Telecoms Operators of Nigeria (ALTON), and Independent Corrupt Practices Commission (ICPC).
Intention-to-Bid Deposit (IBD)	A sum deposited by an Applicant with the Commission to demonstrate intention to participate in the Auction and willingness to take up a licence for at least the Reserve Price.
Licence Award	Notification of award of a Spectrum licence.
Licensed Network Operator	A Licensed Network Operator is any Operator licensed by the Commission to own and / or operate a Telecommunications Network in Nigeria.
Lot	One Spectrum bandwidth of 100 MHz TDD in the 3.5 GHz band.
Manual Auction	An alternative system of bidding using Auction Runners to deliver bids from Approved Bidders to the Auction Manager and Auction Overseer in the Auction Room.
Mock Auction	A preparatory run-through of the Auction process to familiarise Approved Bidders with the Auction procedures.
NBS	National Bureau of Statistics.
Opening Bid	The minimum acceptable Bid for the item(s) on offer in the Opening Round. Often set as one Increment above the Reserve Price.
Opening Round	The first round of an auction during which the item(s) being auctioned are offered to Bidders at the Opening Bid.
Operational Licence	Unified Access Service Licence which is a communication licence issued by the Nigerian Communications Commission under its powers in Chapter IV of the Nigerian Communications Act

3.5 GHz Spectrum Auction	The end-to-end Spectrum licensing process addressed by this Information Memorandum
	2003.
Previous Round	The Auction round preceding the current round.
Relationship	A relationship is defined as a situation where a Bidder has a direct or indirect ownership stake of 10% or more in another Bidder. Relationship in the sense defined in this IM is strictly Ownership relationship and not Contractual relationship.
Reserve Price (RP)	The minimum price for one Lot of 100 MHz TDD.
Successful Bidder	A Successful Bidder is a Bidder to whom a Provisional Spectrum licence is awarded.
The Act	Nigerian Communications Act, 2003.
The Commission Observer	A person(s) on behalf of the Commission who will be in attendance in an Auction Room to ensure compliance with the Auction Rules.
Throw of Dice	The process used to determine the provisional winner when two or more Bidders are tied at the end of the Auction. One die will be used in this process with the Bidder whose company name starts with the letter nearest to the start of the alphabet throwing first.
Tied bid	Submitted bids of the same value in the final round of the auction.
WAT	West African Time.

7.2 Appendix B: Cover Letter Template

Executive Vice Chairman/CEO
Nigerian Communications Commission
Plot 423, Aguiyi Ironsi Street
Maitama, Abuja
Federal Capital Territory, Nigeria

<Applicant's details, including mailing address, contact telephone number and email address>

<insert date>

Dear Sir

We the undersigned, having carefully read the Information Memorandum pertaining to the Auction for Spectrum in the 3.5 GHz band, including the disclaimer and all appropriate adjuncts, we herewith submit an application to take part in the auction for the award of licence in the 3.5 GHz frequency band.

Should our application be successful in the Auction, we hereby undertake to pay all fees relating to the acquisition of, and operation under, the licence, as well as abide by all appropriate terms and conditions as set out in the Information Memorandum, including the referenced licences.

By submitting this letter, we certify that we have lodged an Intention-to-Bid Deposit of US\$XXX (___United States Dollars) with the Commission's bankers to qualify us to bid for one Lot of 100MHz TDD Spectrum.

By submitting this application and deposit we understand that we have entered the licensing process to purchase a Spectrum Licence for a nationwide coverage and will perform all obligations as stipulated in the Information Memorandum.

We understand that by entering into this licensing process we are making a commitment to abide by the requirements and rules in relation to this 3.5 GHz Spectrum licensing process as communicated by the Commission. We equally accept that the Commission reserves the right to disqualify and/or impose financial penalties in the event of infringement of these requirements and rules, and such financial penalties will be deducted from our Intention-to-Bid Deposit. We have completed and enclosed the following:

Applied "Lot Confirmation" Form

Compliance Statement

Pre-qualification Criteria Check-list

Intention-To-Bid Deposit Payment Form

Bidder Compliance Certificate (containing details of Bid Team members).

We confirm that all the information provided in our application and associated documents

are accurate and true to the best of our knowledge.

We acknowledge that this letter and all associated documentation relating to this process and our participation in it are governed by Nigerian law.

Yours sincerely,

<insert signature of authorised signatory>

<insert name of signatory>

<insert name of Applicant>

<insert date of signature>

7.3 Appendix C: Applied "Lot Confirmation" Form

The undersigned confirm that we are applying for _____Lot(s) and that we have made an Intention-To-Bid Deposit of US\$ _____(United States Dollars).

<insert signature of authorised signatory>

<insert name of signatory>

<insert name of Applicant>

<insert date of signature>

7.4 Appendix D: Compliance Statement

Executive Vice Chairman/CEO
 Nigerian Communications Commission
 Plot 423, Aguiyi Ironsi Street
 Maitama, Abuja
 Federal Capital Territory, Nigeria

Date

Name of Applicant.....

Request for Applications for the Licensing of 3.5 GHz Spectrum in the Federal Republic of Nigeria

Category	Criteria	Proof
Template	Application to take part at Auction in the licensing process for 3.5 GHz Spectrum	Cover Letter
Template	Confirmation that the Applicant meets all defined pre-qualification criteria	Pre-qualification Criteria Checklist
Template	Confirmation that the Applicant understands the nature of the Intention- to-Bid Deposit	Bid Deposit Payment Form
Template	Confirmation of the Lot applied for.	Applied "Lot Confirmation" Form
Template	Applicant's nomination of the bid team authorised to take part at Auction	Bidder Compliance Certificate

<insert signature of authorised signatory>

<insert name of signatory>

<insert name of Applicant>

<insert date of signature>

7.5 Appendix E: Pre-Qualification Criteria Checklist

[Note to applicants: Please complete and return this form as part of the bidding application]

Characteristic	Criteria	Compliance (Yes/No)
Eligibility	<p>Applicants (Domestic and Foreign) are not required to be Licensed Network Operators but must be incorporated in Nigeria before the Licence is issued, as defined in Section 4.5.</p> <p>Applicant must confirm all participating entities and their relationships in the context of this Application. [To be provided as an attachment to the Cover Letter]</p>	
Independence	<p>Confirmation of independence from all other Licensed Network Operators participating in the 3.5 GHz Spectrum Auction.</p> <p>Indication of cross-ownerships and/or other issues which could affect Bidder Relationships (as defined in Bidder Relationships section under Auction rules). [To be provided as an attachment to the Cover Letter]</p>	
Advisors	<p>Identification of professional advisors supporting the Applicant's submission. *To be provided as an attachment to the Cover Letter]</p>	
Financial (deposit)	<p>US\$XXX United States Dollars) Intention-to-Bid Deposit has been confirmed to have been paid into the designated account to qualify Applicant to compete for _____ Lot(s).</p>	

Fulfilment of regulatory obligations	Applicant must confirm that it is up to date with all administrative, licence and operating fees due to the Commission	
---	--	--

<insert signature of authorised signatory>

<insert name of signatory>

<insert name of Applicant>

<insert date of signature>

7.6 Appendix F: Intention-To-Bid Deposit Payment Form

The Applicant certifies, agrees and undertakes that:

- i. It has paid a deposit of US\$ _____(United States Dollars) to the Commission as required by the Information Memorandum issued for the 3.5 GHz Spectrum licensing process.
- ii. Where the Commission makes an offer to assign Spectrum to a Successful Bidder and the Successful Bidder accepts the offer and pays for the Spectrum within the period as specified by the Commission, then the deposit US\$ _____ (United States Dollars), will form part of the payment for the price of the Spectrum that will be assigned to the Successful Bidder.
- iii. Where the Commission makes an offer to the Successful Bidder and the Successful Bidder fails to make full payment in accordance with the conditions of the Auction and the Information Memorandum, the deposit will be forfeited to the Commission.
- iv. Where the Commission makes the offer to a Successful Bidder and the Successful Bidder fails to accept the offer within the time specified by the Commission for the acceptance of the offer, the Successful Bidder will forfeit the US\$ _____ (United States Dollars) deposit.
- v. Where no offer is made to the Bidder by the Commission, but the Bidder has contravened any of the Auction rules as set out by the Commission, the Bidder accepts to forfeit the IBD.
- vi. Where no offer is made to the Bidder by the Commission, and the Bidder has not contravened any of the Auction rules as set out by the Commission, the deposit of US\$ _____ (United States Dollars) will be refunded to the Bidder.

Please refer to Table 2 for guide in completing the monetary figures. The common seal of the Bidder is hereby attached in presence of:

DIRECTOR

SECRETARY

7.7 Appendix G: Bidder Compliance Certificate

- i. The Bidder certifies and undertakes that:
- ii. The Authorized Officers of the Bidder have read and understood the relevant legislation and the Information Memorandum.
- iii. The Bidder is legally capable of bidding in the Auction and has in place all necessary consents, permissions and board approval for this purpose, save those which, by virtue of legal or regulatory process, are not obtainable until after the results of the Auction are known and the Bidder further understands that it will bear the risk of failure to obtain such consents, permissions and approvals that are not obtainable until after the results of the Auction are known.
- iv. The Bidder understands and will be legally capable of satisfying its obligations under the terms and conditions of the Licence granted pursuant to the Auction and the terms of any Licence granted as a consequence of winning a Spectrum Licence in the Auction.
- v. The actual information provided in, or in support of, the Application is, to the best of the Bidder's knowledge and belief, true, accurate and complete in all material respects and that any opinion expressed is honestly held.
- vi. The Bidder in the Application is not the subject, and none of its Directors, officers or representatives are the subject, of criminal investigation or proceedings in Nigeria or abroad which might reasonably be expected to affect adversely their business or materially affect the Bidder's ability to bid in the Auction, or to satisfy the terms of any Licence awarded pursuant to the Auction, and that there is no reason to believe that such investigations or proceedings might occur during the Auction.
- vii. The following Officers representing the Bidder in the Auction have been duly and properly delegated by the Bidder to do so and they have the authority and power to bind the Bidder in the transaction.

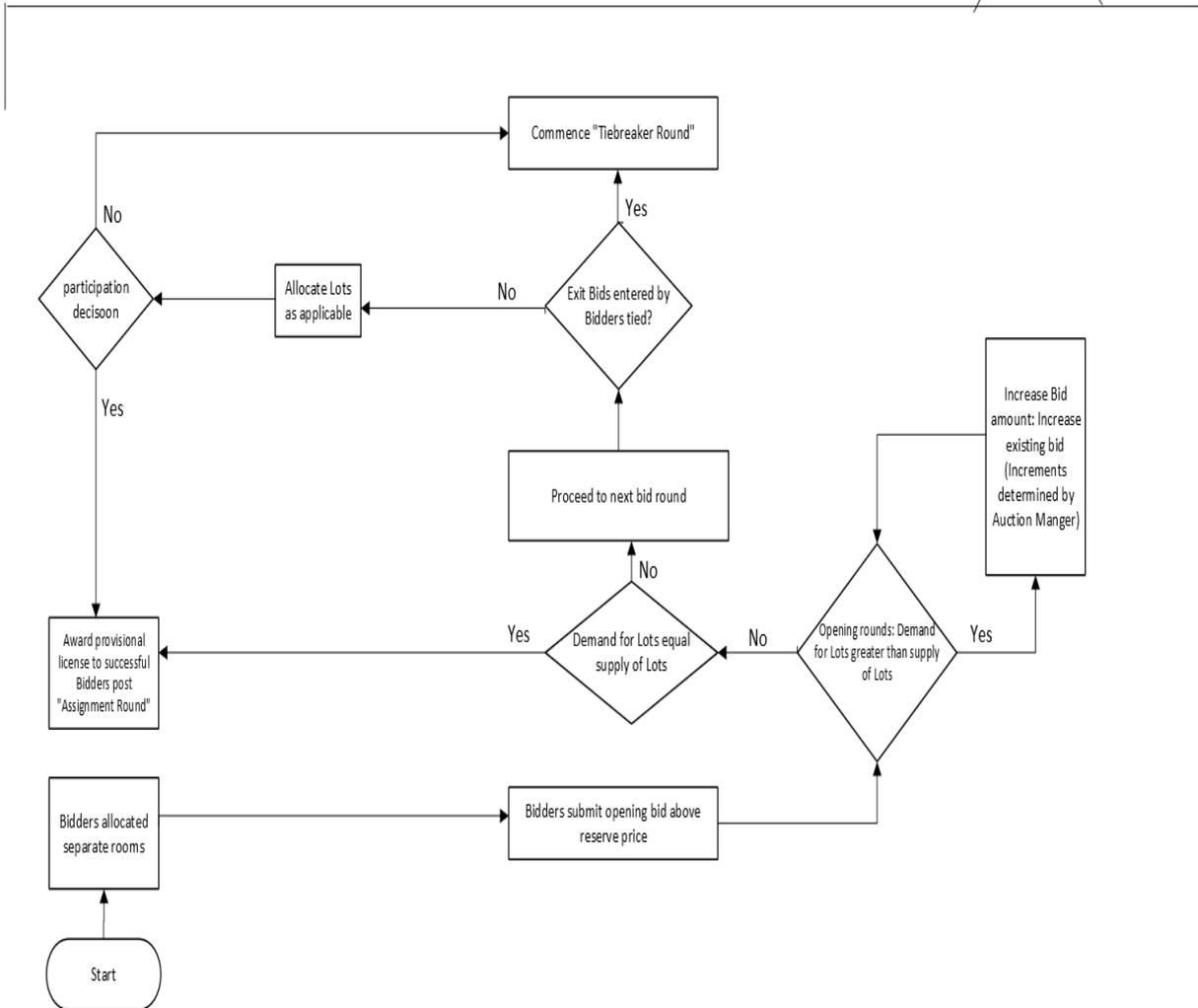
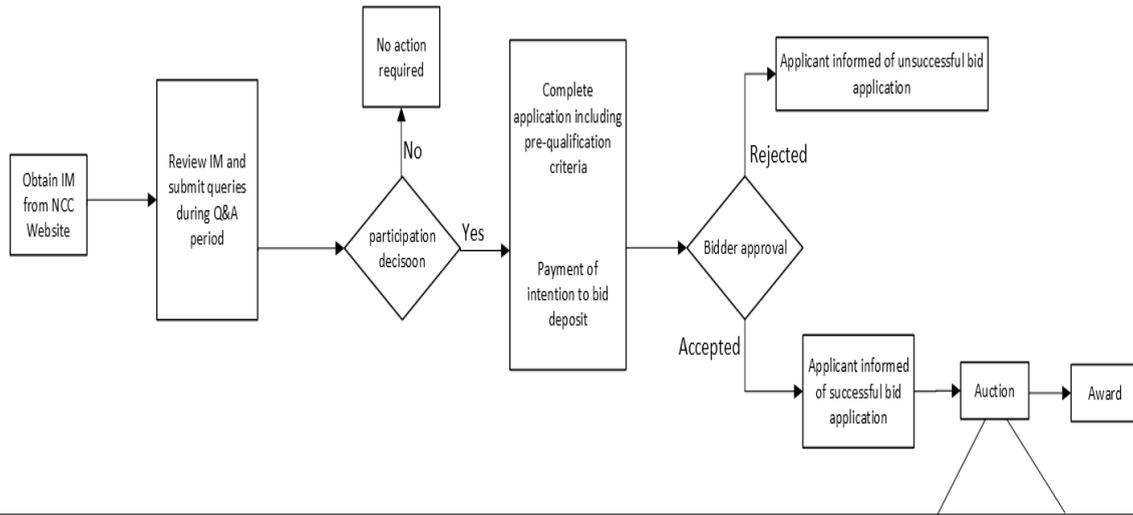
Number	Name	Designation
1		
2		
3		
4		

The Common seal of the Bidder is hereby attached in presence of:

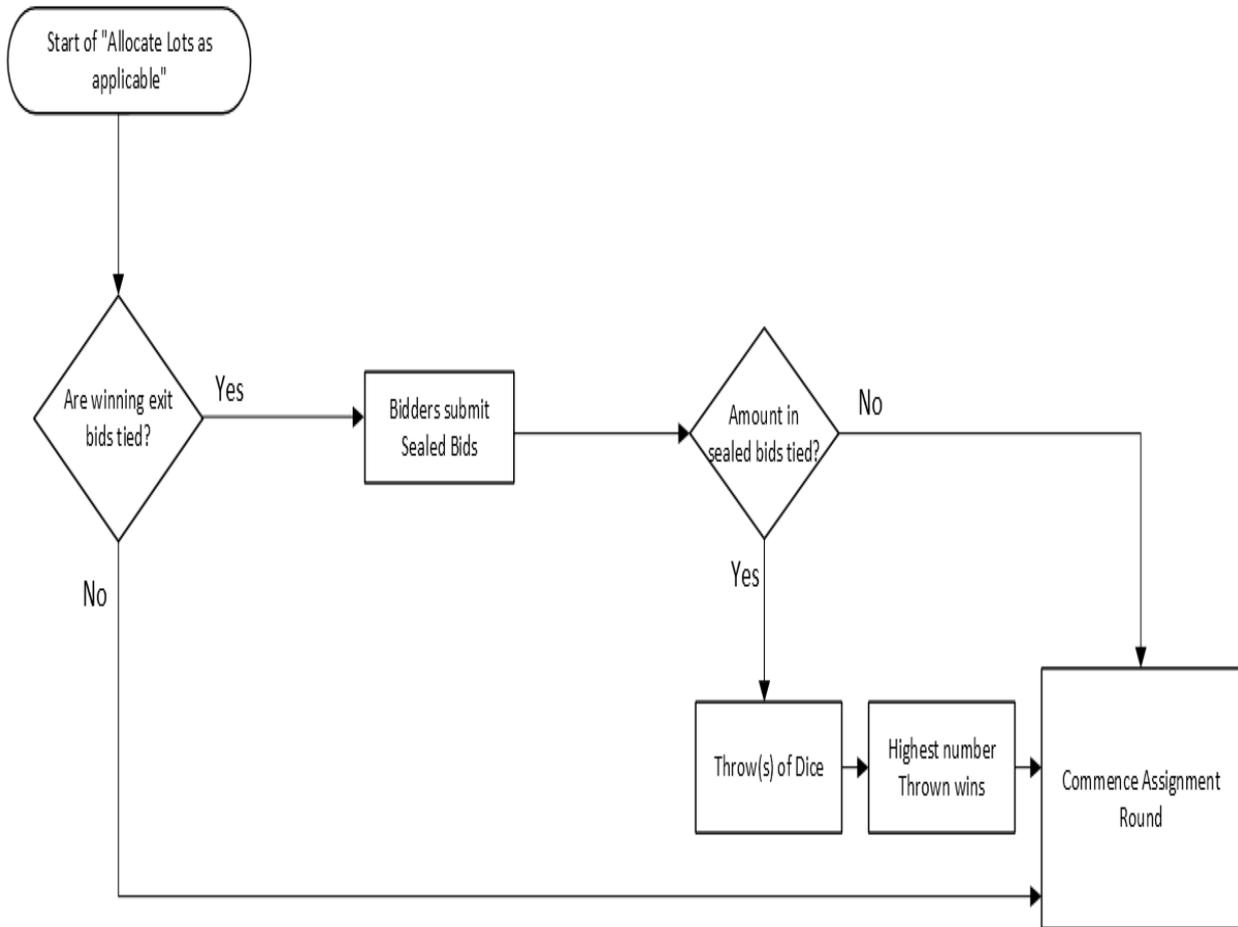
DIRECTOR

SECRETARY

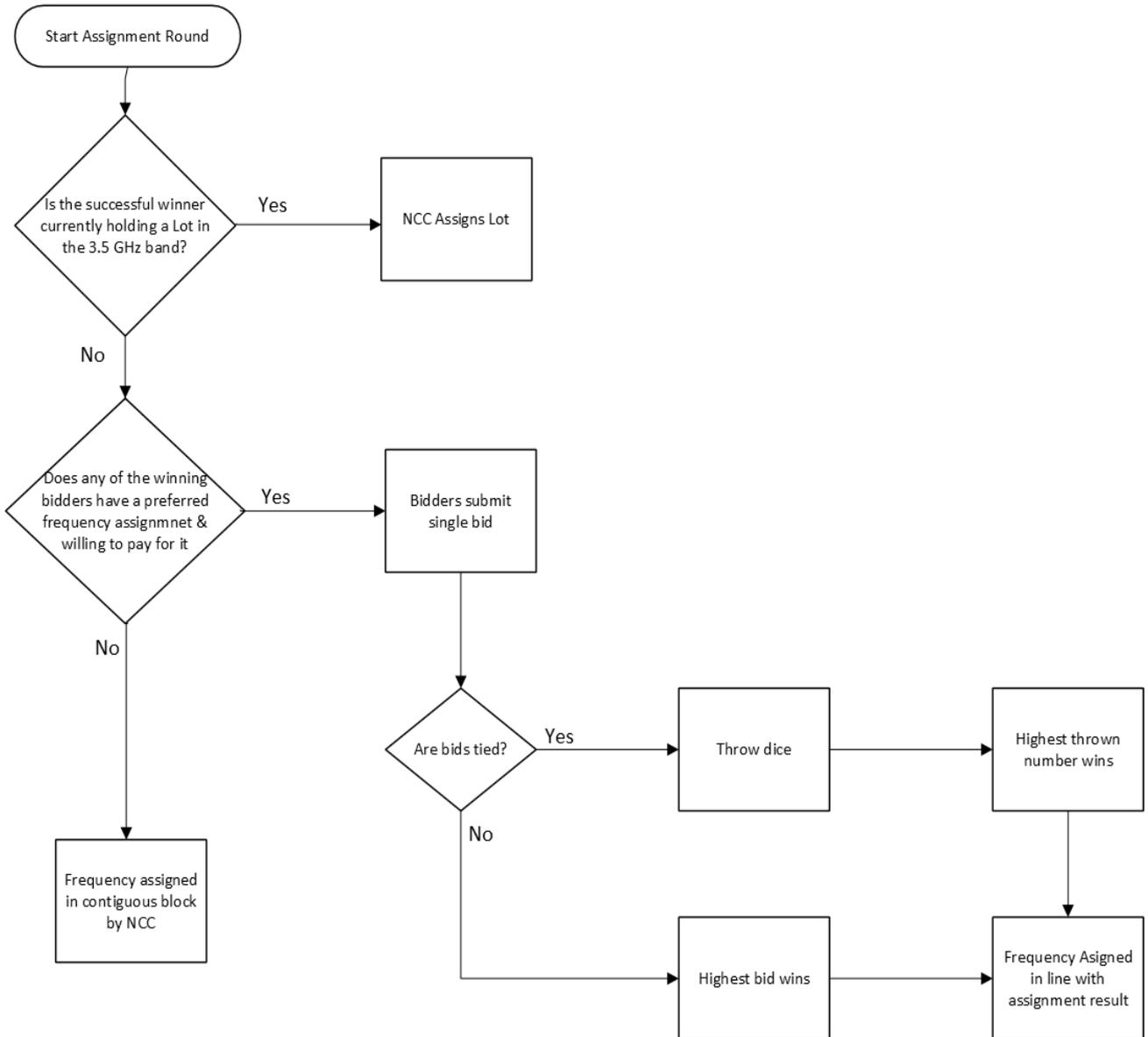
7.8 Appendix H: Ascending Clock Auction with Exit Bid



7.9 Appendix I: Tiebreaker Round



7.10 Appendix J: Assignment Round



7.11 Appendix K: Bidder Registration, Authentication, and Bidding Forms

Bidder Registration and Authentication Form

Purpose and Instructions:

The purpose of this form is to register and authenticate the Bidder for the auction of Spectrum in the 3.5 GHz Frequency band. The form contains information on the name, signature and initials of Designated Bidders to fulfil the function of delivering the round-by-round bids to the Auction Manager and Auction Overseer.

All Bidders, Runners, the Auction Manager and Auction Overseer must sign and initial this witnessed form.

Authorized Individuals:	Date:
Name: Signature:	Initials:
Name: Signature:	Initials:
Auction Runner: Name: Signature:	Initials:
Auction Manager: Name: Signature:	Initials:
Auction Overseer: Name: Signature:	Initials:

Round-by-Round Bidding Form for the 3.5 GHz Band

Round by Round Bidding for the 3.5 GHz Frequency Band	
Bidder Name:	Bid Number:
ACCEPT BID (ENTER 1 IF YES, OTHERWISE GO TO "ENTER EXIT BID")	
ENTER EXIT BID (ENTER VALUE BETWEEN LAST BID AND CURRENT BID)	
Authorized Individual's Name:	Authorized Individual's Signature:
Auction Manager's Name:	Auction Manager's Signature:
Auction Overseer:	Auction Overseers' Signature:

7.12 Appendix L: Unified Access Service Licence (Operational Licence)

Refer to “[Unified Access Service Licence \(Operational Licence\)](#)” document on the Commission’s website.

7.13 Appendix M: Spectrum Licence - GENERAL CONDITIONS

Refer to “Frequency Spectrum Licence General Conditions document and is accessible on [Frequency Spectrum Licence General Conditions](http://www.ncc.gov.ng) (www.ncc.gov.ng)

7.14 Appendix N: TEMPLATE FOR STAKEHOLDER QUESTIONS/COMMENTS

- ❖ Comments on the Information Memorandum (IM) are to be made based on the specific sections of the IM;
- ❖ General Comments not specific to the section of the IM should be made in the specified part of the template.

S/No	RELATED SECTION	NAME OF ENTITY	COMMENT	SUGGESTION /RECOMMENDATION
	<i>Eg. Part A, section 1.2....</i>			
GENERAL COMMENT SECTION				
S/No	GENERAL COMMENT	NAME OF ENTITY	COMMENT	RECOMMENDATION